bill (H. R. 7636) for a 2-cent postage for Queens County, N. Y.; to the Committee on the Post Office and Post Roads.

6940. By Mr. LYNCH: Petition of the Bronx County Bakers' Board of Trade, urging opposition to Senate bill 2395, known as the wheat-allotment bill, as adoption of same would result in a bread tax with a resultant raise in the cost of bread; to the Committee on Agriculture.

6941. Also, memorial of the Senate of the State of New York, memorializing Congress to amend the Federal Census Act so that the personal questions may be eliminated from the questionnaire and the criminal penalty abolished; to the Committee on the Census.

6942. Also, petition of the National Concrete Masonry Association, urging that the House of Representatives give speedy and favorable consideration to amendments to the Housing Act as embodied in Senate bill 591, thereby relieving unemployment, stimulating industries, encouraging construction, and employing capital; to the Committee on Banking and Currency.

6943. By Mr. MERRITT: Resolution of the Central Civic Association of Hollis, N. Y., petitioning the Congress of the United States to eliminate discrimination so long endured by the people of the county of Queens, N. Y., and impels the enactment into law of the bill known as H. R. 7636; to the Committee on the Post Office and Post Roads.

6944. By Mr. SCHIFFLER: Petition of the Mercer County Association of Retail Grocers, Bluefield, W. Va., urging that the sugar refining industry in the United States be amply protected by Congress in 1940 and thereafter against any further loss of business to the highly subsidized tropical refiners or by the beet-sugar industry, or both; to the Committee on Ways and Means.

6945. By the SPEAKER: Petition of the Ladies Auxiliary, No. 5, of the I. W. A., Ryderwood, Wash., petitioning consideration of their resolution with reference to antidemocratic and un-American activities and the antialien bills; to the Committee on Immigration and Naturalization.

6946. Also, petition of the United Federal Workers of America, Congress of Industrial Organizations, New York City, petitioning consideration of their resolution with reference to antialien bills; to the Committee on Immigration and Naturalization.

6947. Also, petition of the Seattle, Wash., Building Trades Council, Seattle, King County, Wash., petitioning consideration of their resolution with reference to the United States Housing Authority program; to the Committee on Banking and Currency.

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# SENATE

## THURSDAY, MARCH 14, 1940

*(Legislative day of Monday, March 4, 1940)*

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. ZeBarney T. Phillips, D. D., offered the following prayer:

Almighty God who art from everlasting to everlasting and with whom is no variableness, neither shadow that is cast by turning: We thank Thee for every good and perfect gift that cometh down from the Father of Lights, and especially for the kingdom that cannot be shaken, for the righteousness that endureth forever. Help us to realize that deep in the heart of the universe, among the imperishable treasures of life which time cannot alter, is the great joy of finding and recovering that which has been lost. Grant in this Passiontide, as we draw nearer and nearer to the Cross in contemplation, that we may find the joy in rediscovering the considerate and kindly things that overflow only from the Saviour's heart into our world's best thought and sentiment, to the upbuilding of our character and the better understanding of our fellow men. We ask it in the name and for the sake of Jesus Christ our Lord. Amen.

### THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Wednesday, March 13, 1940, was dispensed with, and the Journal was approved.

### MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed a bill (H. R. 8913) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1941, and for other purposes, in which it requested the concurrence of the Senate.

### LAWS OF THE NATIONAL ASSEMBLY, PHILIPPINE ISLANDS

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying documents, referred to the Committee on Territories and Insular Affairs:

*To the Congress of the United States:*

As required by section 2 (a) (11) of the act of Congress approved March 24, 1934, entitled "An act to provide for the complete independence of the Philippine Islands, to provide for the adoption of a constitution and a form of government for the Philippine Islands, and for other purposes," I transmit copies of laws enacted by the National Assembly of the Philippine Islands. Included are laws of the First National Assembly, third session, January 24, 1938, to May 19, 1938; and of the Second National Assembly, first session, January 23, 1939, to May 18, 1939; first special session, August 15, 1939, to September 18, 1939; and second special session, September 25, 1939, to September 29, 1939.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *March 14, 1940.*

### PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the petition of Townsend Club No. 1, of Clinton, Iowa, praying for the enactment of the bill (S. 3255) to provide for national recovery by raising revenue and retiring citizens past 60 years of age from gainful employment and provide for the general welfare of all the people of the United States, and for other purposes, which was referred to the Committee on Finance.

He also laid before the Senate a resolution of the Board of Supervisors of the County of Los Angeles, Calif., favoring the enactment of House bill 7447, authorizing the Secretary of War to make a survey of the proposed T tunnel as a means of communication and transportation between San Pedro, Wilmington, Terminal Island, and Long Beach, Calif., which was referred to the Committee on Military Affairs.

He also laid before the Senate a memorial of sundry citizens of the State of New York, remonstrating against the United States entering into foreign entanglements or participating in foreign wars, and praying that the armed forces of the Nation only protect America against invasion, which was referred to the Committee on Foreign Relations.

Mr. TYDINGS presented the petition of members of Local Union No. 12 of the American Flint Glass Workers' Union of North America, Cumberland, Md., praying for the imposition of higher tariff duties than those now existing on glassware, and also that the control of all tariff legislation be retained in the Congress, which was ordered to lie on the table.

Mr. HOLT presented petitions of members of Local Union No. 539, of Wellsburg, and Local Union No. 557, of Morgantown, both of the American Flint Glass Workers' Union of North America in the State of West Virginia, praying for the imposition of higher tariff duties than those now existing on glassware, and also that the control of all tariff legislation be retained in the Congress, which were ordered to lie on the table.

RESOLUTION OF RHODE ISLAND GENERAL ASSEMBLY ON PRESIDENTIAL THIRD TERM

Mr. GERRY. Mr. President, I send to the desk a resolution adopted by the General Assembly of the State of Rhode Island and ask for its appropriate reference. It memorializes Congress against a third Presidential term.

The VICE PRESIDENT. Is there objection? The Chair hears none.

Mr. GREEN. Mr. President, I also have received a copy of the resolution and was about to present it. I think I ought to say a few words to enlighten my colleagues as to the significance and value of the resolution.

Mr. BURKE. Mr. President, will the Senator yield?

Mr. GREEN. I yield.

Mr. BURKE. May we have the resolution read? If it is going to be discussed, I ask that it be read.

The VICE PRESIDENT. Without objection, the resolution will be read.

The Chief Clerk proceeded to read the resolution.

Mr. PEPPER. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Adams | Donahey | La Follette | Schwartz |
| Andrews | Downey | Lee | Schwellenbach |
| Ashurst | Ellender | Lodge | Sheppard |
| Austin | Frazier | Lucas | Shipstead |
| Bailey | George | Lundeen | Smathers |
| Bankhead | Gerry | McCarran | Smith |
| Barbour | Gibson | McKellar | Stewart |
| Barkley | Gillette | McNary | Taft |
| Bilbo | Glass | Maloney | Thomas, Idaho |
| Brown | Green | Mead | Thomas, Okla. |
| Bulow | Guffey | Miller | Thomas, Utah |
| Burke | Gurney | Minton | Townsend |
| Byrnes | Hale | Murray | Tydings |
| Capper | Harrison | Neely | Vandenberg |
| Caraway | Hatch | Norris | Van Nuys |
| Chandler | Hayden | Nye | Wagner |
| Chavez | Herring | O'Mahoney | Walsh |
| Clark, Idaho | Hill | Pepper | Wheeler |
| Clark, Mo. | Holman | Pittman | White |
| Connally | Holt | Reed | Wiley |
| Danaher | Hughes | Russell | |
| Davis | Johnson, Colo. | Reynolds | |

Mr. MINTON. I announce that the Senator from Washington [Mr. BONE] and the Senator from Utah [Mr. KING] are absent from the Senate because of illness.

The Senator from Virginia [Mr. BYRD], the Senator from Maryland [Mr. RADCLIFFE], the Senator from Illinois [Mr. SLATTERY], and the Senator from Missouri [Mr. TRUMAN] are detained on important public business.

The Senator from Louisiana [Mr. OVERTON] is unavoidably detained.

The VICE PRESIDENT. Eighty-six Senators have answered to their names. A quorum is present. The Senate has given unanimous consent for the reading of a resolution submitted by the Senator from Rhode Island [Mr. GERRY]. The clerk will read.

The Chief Clerk resumed and concluded the reading of the resolution adopted by the General Assembly of the State of Rhode Island, which is as follows:

Resolution memorializing Congress to enact suitable legislation to prevent any President of the United States from seeking a third term

Whereas the New York Senate yesterday adopted a resolution memorializing the Congress of the United States to enact suitable legislation to prevent any President of the United States from seeking a third term, which resolution embodies the following phraseology:

"Whereas on September 17, 1796, George Washington, first President of the United States, delivered his Farewell Address to the American people; and

"Whereas on that day the Father of our Country set down certain suggestions for the guidance of the American people; and

"Whereas by his refusal to seek election for the third time he established a tradition that to this day has remained unbroken; and

"Whereas in his Farewell Address President Washington said, 'Friends and citizens, the period for a new election of a citizen to administer the executive government of the United States being not far distant, and the time actually arrived when your thoughts must be employed in designating the person who is to be clothed with that important trust, it appears to me proper, especially as it may conduce to a more distinct expression of the public voice, that I should now apprise you of the resolution that I have formed, to decline being considered among the number of those out of whom a choice is to be made'; and

"Whereas this tradition of a President of the United States of not seeking election for a third term forms the one remaining bulwark protecting the people of this Nation against the threat of the establishment of a dictatorship; and

"Whereas with the establishment of a dictatorship the minorities now accorded their rights under our Constitution will be swept aside and accorded the same treatment now given them in certain countries of Europe": Now, therefore, be it

*Resolved*, That the Congress of the United States be, and it hereby is, memorialized to enact suitable legislation to prevent any President from seeking a third term; and the secretary of State is hereby authorized and directed to transmit duly certified copies of this resolution to the Vice President, the Speaker of the House of Representatives, and to the Senators and Representatives from Rhode Island in Congress.

Mr. GREEN. Mr. President, another copy of this resolution has been sent me for presentation here; and I was about to send it to the desk when my colleague presented his copy.

It seems to me that my colleagues should be enlightened in a few words as to the value of this resolution.

As they may know, Republicans are in control of both the senate and the house by large majorities, and also of the governorship, all of whom joined in supporting this resolution; but it does not appear in the resolution itself that only a minority of the members of the house and only a bare majority of the members of the senate joined in passing the resolution.

How the Congress is to carry out the purpose of the resolution is not indicated. As Senators noticed when it was read, it advocates the passage by the Congress of suitable legislation to prevent any President "from seeking a third term." Nothing is said about the people electing a President for a third term, about the Electoral College electing a President for a third term, or about the possibility of Congress making a President ineligible for a third term. We are simply asked to pass legislation to prevent a President from seeking a third term.

Furthermore, if we may go to the fundamentals involved, it seems to me that it might sometime in the course of history become a President's duty, in the words of the poet Tennyson—

To strive, to seek, to find, and not to yield.

The VICE PRESIDENT. The resolution presented by the Senator from Rhode Island [Mr. GERRY] will be referred to the Committee on the Judiciary.

Mr. MCKELLAR subsequently said: Mr. President, this morning the Senator from Rhode Island [Mr. GERRY] read into the RECORD a resolution from the General Assembly of the State of Rhode Island concerning a third term. In that resolution is quoted a statement from our first President, George Washington.

In order that the historical view of this subject may be complete, I now desire to read a statement by George Washington. I ask unanimous consent that my statement and what I read may follow immediately the resolution to which I refer.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Tennessee? The Chair hears none, and it is so ordered.

Mr. MCKELLAR. I now read a part of a letter from George Washington to the Marquis de Lafayette, dated Mount Vernon, April 28, 1788, on the subject of a third term:

There are other points in which opinions would be more likely to vary. As, for instance, on the ineligibility of the same person for President, after he should have served a certain course of years. Guarded so effectually as the proposed Constitution is, in respect to the prevention of bribery and undue influence in the choice of President, I confess I differ widely myself from Mr. Jefferson and you as to the necessity of expediency of rotation in that appointment. The matter was fairly discussed in the Convention, and to my full conviction though I cannot have time or room to sum up the argument in this letter.

It will be remembered that Mr. Washington was the president of that Convention.

There cannot, in my judgment, be the least danger that the President will by any practicable intrigue ever be able to continue himself one moment in office, much less perpetuate himself in it, but in the last stage of corrupted morals and political depravity; and even then, there is as much danger that any other species of domi-

nation would prevail. Though, when a people shall have become incapable of governing themselves, and fit for a master, it is of little consequence from what quarter he comes. Under an extended view of this part of the subject I can see no propriety in precluding ourselves from the services of any man who, on some great emergency, shall be deemed universally most capable of serving the public.

Mr. President, my only purpose in reading this quotation from General Washington's letter to General Lafayette, just after the Constitution had been agreed to, and I believe before it had been ratified by the necessary number of States, is in order that the historical record, which was partially covered in the resolution, may be complete.

Mr. SMITH. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. SMITH. I wish to invite the Senator's attention to certain words used by General Washington. I refer particulary to the adverb "universally," and also to the words "on some great emergency."

Mr. McKELLAR. The former President used those words, and I read them to the Senate. I think the excerpt from the letter throws much light on General Washington's idea of a third term for the Presidency.

REPORTS OF COMMITTEES

Mr. NORRIS, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 2925) to amend the Tennessee Valley Authority Act of 1933, reported it with amendments and submitted a report (No. 1310) thereon.

Mr. CLARK of Idaho, from the Committee on Patents, to which was referred the joint resolution (H. J. Res. 433) to protect the copyrights and patents of foreign exhibitors at the Golden Gate International Exposition, to be held at San Francisco, Calif., in 1940, reported it without amendment and submitted a report (No. 1311) thereon.

Mr. SCHWARTZ, from the Committee on Claims, to which was referred the bill (S. 2570) for the relief of Mary Boyd, reported it with amendments and submitted a report (No. 1312) thereon.

He also, from the same committee, to which were referred the following bills, reported them each with an amendment, and submitted reports thereon:

S. 2817. A bill for the relief of J. H. Churchwell Wholesale Co., of Jacksonville, Fla. (Rept. No. 1313); and

S. 3091. A bill for the relief of Barnet Warren (Rept. No. 1314).

Mr. ELLENDER, from the Committee on Claims, to which was referred the bill (S. 3436) for the relief of Ethel G. Hamilton, reported it with an amendment and submitted a report (No. 1315) thereon.

He also, from the same committee, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

H. R. 4388. A bill for the relief of James Henry Rigdon (Rept. No. 1316); and

H. R. 5257. A bill for the relief of R. D. Torian (Rept. No. 1317).

Mr. ELLENDER also, from the Committee on Claims, to which were referred the following bills, reported them each with amendments and submitted reports thereon:

H. R. 1288. A bill for the relief of Mrs. Clyde Thatcher and her two minor children, Marjorie Thatcher and Bobby Thatcher (Rept. No. 1318); and

H. R. 5258. A bill for the relief of Betty Lou Frady (Rept. No. 1319).

Mr. HUGHES, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 2161. A bill for the relief of the Pacific Airmotive Corporation, Burbank, Calif. (Rept. No. 1320);

H. R. 3769. A bill for the relief of the Keuffel & Esser Co. of New York (Rept. No. 1321); and

H. R. 3970. A bill for the relief of Charles Sidenstucker (Rept. No. 1322).

Mr. HUGHES also, from the Committee on Claims, to which was referred the bill (H. R. 3171) for the relief of George L. Sheldon, reported it with an amendment and submitted a report (No. 1323) thereon.

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LA FOLLETTE:

S. 3578. A bill for the relief of Edward Smith; to the Committee on Indian Affairs.

(Mr. WALSH introduced Senate bill 3579, which was referred to the Committee on Finance, and appears under a separate heading.)

(Mr. WAGNER introduced Senate bill 3580, which was referred to the Committee on Banking and Currency, and appears under a separate heading.)

By Mr. SCHWELLENBACH:

S. 3581. A bill for the relief of John L. Pennington; to the Committee on Claims.

By Mr. MEAD:

S. 3582. A bill relating to the status of certain natives and inhabitants of the Virgin Islands; to the Committee on Territories and Insular Affairs.

By Mr. CLARK of Idaho:

S. 3583. A bill for the relief of Isabelle Tolmie in connection with the construction, operation, and maintenance of the Fort Hall Indian irrigation project, Idaho; to the Committee on Indian Affairs.

By Mr. BURKE:

S. 3584. A bill to authorize the Administrator of the Federal Housing Administration to insure under title I of the National Housing Act, as amended, against losses sustained by financial institutions in financing the purchase and installation of irrigation systems on farm lands; to the Committee on Banking and Currency.

By Mr. CONNALLY:

S. 3585. A bill to regulate the practice of shorthand reporting, and for other purposes; to the Committee on the Judiciary.

By Mr. VAN NUYS:

S. 3586. A bill conferring jurisdiction upon the Court of Claims with right of appeal to the Supreme Court of the United States to hear, examine, adjudicate, and enter judgment in all claims which the Miami Indians of Indiana had and have against the United States under treaty of June 5, 1854, ratified August 4, 1854 (10 Stat. L. 1093), and as to the lineal descendants or issues of said Miami Indians pursuant to said treaty of June 5, 1854, etc., ratified and promulgated August 4, 1854; to the Committee on Indian Affairs.

By Mr. GIBSON:

S. 3587. A bill for the relief of Avis Collins, a minor; to the Committee on Claims.

By Mr. ANDREWS:

S. 3588. A bill to extend to certain persons engaged in horticultural and floricultural activities the benefits of laws providing for loans to farmers; to the Committee on Agriculture and Forestry.

(Mr. ANDREWS introduced Senate bill 3589, which was referred to the Committee on Banking and Currency, and appears under a separate heading.)

AMENDMENT OF THE SOCIAL SECURITY ACT

Mr. WALSH. Mr. President, I ask consent to introduce a bill to amend the Social Security Act, and request that it be referred to the Committee on Finance. I also request that an explanatory statement of the bill, prepared by me, be printed in the CONGRESSIONAL RECORD.

There being no objection, the bill (S. 3579) to extend the Federal old-age and survivors insurance benefits of the Social Security Act to certain employees of religious and charitable

organizations, and for other purposes, was read twice by its title and referred to the Committee on Finance.

The statement presented by Mr. WALSH is as follows:

The bill proposes to extend the Federal old-age and survivors insurance benefits of the Social Security Act to certain employees of religious and charitable organizations. If enacted into law, it will add over a million persons to those already embraced within the provisions of the existing law.

In 1935–36 representatives of the churches, colleges, and hospitals asked for and received exemption from the Social Security Act. Many of these same organizations, for the past few years, have been considering ways and means of having their employees included within the Social Security Act without interfering with the general provisions of the law which exempt religious, educational, and charitable institutions from taxation.

The bill is the result of these deliberations and, in effect, provides for the inclusion under old-age and survivors insurance provisions of the Social Security Act, and the corresponding taxing or contribution section of the Internal Revenue Code of all employees of religious, educational, and charitable institutions except ministers of religion and members of religious orders.

In view of the fact that legislation to include these groups has been recommended by the Social Security Board in its report to the President dated December 30, 1938, and by the advisory council on social security in its report dated December 10, 1938, the action of representatives of the churches, colleges, and hospitals makes the change certain.

This bill would safeguard the tax-exempt status of the religious and charitable agency paying the tax by requiring that all revenues collected from such tax-exempt agencies "shall be paid directly into the Federal old-age and survivors insurance trust fund," and in this way the proposed amendment would, in reality, convert what otherwise would be a general tax into a true contribution to a trust fund, available only for the payment of old-age benefits, and not subject to appropriation by Congress for any other purpose.

The bill would result in extending the coverage of old-age and survivors insurance benefits to all lay employees of the tax-exempt charitable, religious, and educational agencies heretofore excluded. It would continue to exclude from old-age and survivors benefits all clergy, sisters, and brothers of religious orders attached to schools, colleges, hospitals, homes for the aged, and all other charitable institutions.

The proposed amendment would subject these lay employees and their employers to the payment of the taxes levied for the support of the old-age and survivors insurance benefits system which, at the present, are levied at the rate of 1 percent of wages received by the employee, and of wages paid by the employer and which, under the Social Security Act, may be increased gradually, but may never, without new legislation, exceed 3 percent of wages received and wages paid.

The religious, charitable, and educational institutions that have agreed to this proposal, approve of the legislation, and request favorable action, are the following: National Council Protestant Episcopal Church (speaking for itself and not the whole church), National Catholic Welfare Conferencce, Council of Jewish Federations and Welfare Funds, American Hospital Association, American Association of Social Workers, Community Chests and Councils, Inc., and National Recreation Association.

REGULATION OF INVESTMENT TRUSTS AND INVESTMENT COMPANIES

Mr. WAGNER. I ask consent to introduce a bill relative to investment trusts and investment advisers. I also request that an explanatory statement of the provisions of the bill be printed in the RECORD as a part of my remarks.

There being no objection, the bill (S. 3580) to provide for the registration and regulation of investment companies and investment advisers, and for other purposes, was read twice by its title and referred to the Committee on Banking and Currency.

The explanatory statement presented by Mr. WAGNER was ordered to be printed in the RECORD, as follows:

INVESTMENT-TRUST LEGISLATION—EXPLANATORY STATEMENT

NATIONAL PUBLIC INTEREST IN INVESTMENT TRUSTS AND INVESTMENT COMPANIES

Investment trusts and investment companies constitute one of the important media for the investment of savings of the American public and an important factor in our national economy. At the present time these organizations have total assets of approximately $4,000,000,000. In addition, they control or exercise a significant influence in a great variety of industrial enterprises, public utilities, insurance companies, banks, etc., with aggregate resources of approximately $30,000,000,000.

During the past 10 years there have been approximately 4,500,000 holders of certificates or shares of investment trusts and investment companies located in every State. American investors have sustained losses exceeding $3,000,000,000 out of a total investment in such companies aggregating about $7,000,000,000. During the period between the early 1920's—when the investment companies first made their appearance in this country—and the present, approximately 1,300 investment enterprises of all types were created. However, only about 650 trusts and companies are still in existence, the remainder having disappeared either through mergers, receivership, dissolution, or bankruptcy. In addition, numerous companies controlled or influenced by investment companies went bankrupt or sustained substantial losses. A large portion of these losses is directly attributable to those managements which refused to recognize their fiduciary obligations to their shareholders and subordinated the interest of the investor to their own pecuniary advantage.

The problems with respect to investment trusts and investment companies are still acute, for new organizations of this type are still being formed in large numbers and are raising substantial funds. From the middle of 1933 up to the end of 1939 approximately $2,400,000,000 of securities of investment trusts and companies have been registered with the Commission. Although not all of these securities have been distributed, approximately $400,000,000 of investment-company securities were sold during 1936 and 1937 alone, or approximately one-sixth of all nonrefunding corporate issues sold during those years. During the last few years, sales campaigns have been vigorously conducted and investment-trust certificates are being sold upon the installment plan to individuals in the lowest economic and income strata of our population—individuals who are particularly susceptible to devious high-pressure selling methods and who have been subject to unconscionable penalties and forfeitures in all too many instances.

SECURITIES AND EXCHANGE COMMISSION INVESTIGATIONS

The abuses and deficiencies of investment trusts and companies which occasioned these losses to the American public are not academic, and not merely attributable to the financial and economic ethics which prevailed during the 1920's. Some of the most flagrant abuses and grossest violations of fiduciary duty to investors were perpetrated during the very time that the Securities and Exchange Commission was conducting its comprehensive study of investment trusts and investment companies pursuant to section 30 of the Public Utility Holding Company Act of 1935. That study conclusively demonstrates that, unless these organizations are subject to supervision and regulation, the interest of many of almost 2,000,000 American investors in these institutions will be substantially threatened.

GENERAL PURPOSES OF THE LEGISLATION

This bill provides for the registration and regulation of investment trusts and investment companies and for the registration of investment counselors and other investment advisory services. The underlying purpose of the legislation is not merely to insure to investors a full and fair disclosure of the nature and activities of the investment trusts and investment companies in which they are interested, but to eliminate and prevent those deficiencies and abuses in these organizations which have contributed to the tremendous losses sustained by their security holders.

INVESTMENT TRUSTS NOW LARGELY UNREGULATED

Investment trusts and investment companies, like banks, insurance companies, and similar financial institutions, represent large pools of liquid funds of the public entrusted to individuals for management and investment. Yet, unlike these other financial institutions, investment trusts and investment companies, although their field of activity is unlimited, have been subject to virtually no regulation and supervision by any governmental agency—Federal or State. This absence of regulation is one of the fundamental causes of the abuses which have been altogether too frequent.

FINANCIAL ABUSES

Because of this absence of safeguards, promoters and managers of investment companies have been able to determine every aspect of their affairs in an atmosphere of self-dealing and conflicting interests devoid of arms-length bargaining. Independent scrutiny, in behalf of public stockholders, of the transactions and activities of promoters and controlling groups in the organization and operation of investment companies has been and is virtually nonexistent. Too often, the organization of investment trusts and companies was motivated, not by a desire of their sponsors to engage in the business of furnishing investment management to the small investor but rather to accumulate large pools of wealth which would provide a variety of sources of profit and emoluments to their sponsors and controlling persons.

Only a small amount of capital is required to form investment trusts and companies. As a consequence, these organizations are still experiencing an unsound mushroom growth, and various individuals, regardless of their background, have been able to promote or acquire control of these organizations, with their large pools of liquid assets, with a minimum of investment. In many instances control of these institutions has been made impregnable by devices such as management voting stock; voting trusts; the common-law or business-trust form of organization in which security holders have no vote; long-term management contracts, which also assured substantial compensation, irrespective of the company's performance; option warrants to purchase the company's stock, which have the potentiality of substantially diluting the value of the public stockholder's interests; and, finally, domination of the proxy machinery for the solicitation of authority to vote the shares held by public stockholders.

In many instances the pecuniary interest of the promoters, distributors, and managers have dominated almost every phase of the organization and operation of investment companies to the detriment of investors. Capital structures, which are often confusing and incomprehensible to investors, have been created with the ulterior motive of vesting in the controlling groups complete control of the public stockholders' funds and a disproportionate share

of the companies' profits. The capitalization of investment companies was in many instances determined solely by the amount of securities the public would absorb. As a consequence, unsound capital structures have been created—structures which fostered and perpetuated sharp conflicts of interests between the holders of senior securities and junior securities. These conflicts have often been resolved to the detriment of the public senior security holders and to the advantage of the common stock held by insiders. The holders of junior securities have retained control of the funds, although in essence the assets belonged to senior security holders, and have transferred, for substantial payments for their stocks without asset value, control of these funds without the consent or knowledge of senior security holders. Many senior securities had no protective feature, or inadequate features, which were circumvented and nullified by the controlling common-stock holders, and the public investors were powerless to prevent unfair and injurious practices. These companies with senior securities have been, in essence, margin accounts—margin accounts not subject to further margin calls—for trading in common stocks for the benefit of the inside common-stock holders. Unwarranted speculative activities have resulted.

In addition, these capital structures with more than one class of security have accentuated the problem of payment of dividends in investment companies; for the controlling common-stock holders have caused the payment of dividends and other distributions on their common stock to the pecuniary injury of the senior security holders. Capital gains have been drained off by the common-stock holders in periods of rising prices, and dividends paid, although the senior securities had inadequate asset coverage.

Investment trusts and investment companies have suffered many abuses which are peculiar to that type of organization. Investment companies are permitted to be organized with the broadest powers, and in essence, constitute blind pools of public funds. As a result, sponsors, promoters, and controlling groups in many instances have directed the investment of the public's funds in a variety of activities without the consent of the stockholders and irrespective of the announced investment policies which induced the public to invest in the enterprise. In addition, the assets of investment trusts and investment companies consist of cash or marketable securities readily reducible to cash, which could be used to acquire any type of security, property, or business. As a consequence, officers, directors, managers, and other insiders have often unloaded valueless or dubious securities and other property on investment companies at extravagant prices; have borrowed the funds of their investment companies; and have caused such companies to make loans to enterprises in which these insiders were interested. Substantial amounts of these loans have never been repaid. Investment companies in many instances have been exploited by investment banker sponsors and managers to enhance their banking and brokerage business. The investment companies were caused to participate in underwritings; to stabilize the market in securities underwritten by such managing groups; and to purchase substantial blocks of stocks in industrial companies, railroads, banks, and insurance companies in order to expand the banking and brokerage business and build up the financial empires of these insiders.

To augment and intensify all of these opportunities for control and personal profits at the expense of public stockholders, insiders have often fostered excessive pyramiding of investment companies into complicated corporate systems. Funds, securities, and other property were shifted by the dominant persons among the various investment companies in the system and their controlled industrial and other enterprises, in order to promote their own personal pecuniary interests, to create misleading values and fictitious profits for the purpose of deceiving stockholders, and to centralize and perpetuate their control. In many instances, the pyramiding of investment companies involved a complete renunciation of the policies the stockholders had been led to believe their companies would pursue; management costs have been inequitably allocated among the various pyramided companies, and expenses have needlessly been duplicated.

Wholesale trafficking in, and bartering of control of the management of investment companies without the knowledge or consent of the investor has also been a frequent abuse in the history of investment companies. Stockholders have suffered large losses as a result of undisclosed overnight transfers of control of their funds to new interests who have either been incompetent or dishonest. Under existing conditions, investors are powerless to protect themselves against the consequences of such shifts in control.

Managements have also used their control of the applicable corporate and statutory machinery to subject stockholders to inequitable readjustments of the rights, privileges, preferences, and values of their securities, by judicial reorganizations, recapitalization plans, mergers, consolidations, dissolutions, and sales of the corporate assets to other companies. Existing remedies for the protection of stockholders against inequitable plans of readjustment are inadequate, cumbersome, and impractical. The financial resources of the average stockholder are usually insufficient to meet the burden of complicated and long-drawn-out judicial and other proceedings which may be necessary to oppose successfully unfair management-prepared plans.

Another fundamental abuse has been that many promoters and managers of investment companies have a greater interest in the profits which they can realize from the distribution of investment-company securities than in compensation for the avowed function of furnishing expert, disinterested investment service to investors. As a consequence, management may be subordinated to distribution. Unsound investment trusts and companies may be organized in an effort to create securities or merchandise with sales appeal; and the investments of the companies may be made, not on basis of their soundness, but on the basis of their effect on sales of the companies' shares. Selling charges are often fixed to yield a maximum of fees to distributors and frequently include many hidden fees exacted from the purchasing public. The profits to be derived in the merchandising of investment-company securities has also prompted the rapid formation of investment trusts and companies by the same sponsors in order to switch investors from old companies into new companies, each switch being accompanied by exaction of a new selling load from the security holders.

In the case of those investment trusts and companies which continuously sell their shares to the public, practices have often been countenanced which have resulted in substantial dilution of the investors' equity in the fund. Such dilutions have taken place as recently as last autumn. The small investor, purchasing investment-trust shares or contracts on the installment-payment plan, has often been subjected to excessive sales loads and onerous penalties and forfeitures.

Implementing the perpetuation of all these abuses is the management's domination of the accounting practices and the scope and content of the financial reports transmitted to the stockholders. The absence of uniform accounting principles has facilitated the transmission to stockholders of annual reports which are often misleading and incomplete.

This is not a complete catalog of the deficiencies and abuses which have existed in the investment-company industry. Of course, these abuses do not exist in equal degree in all classes of investment companies or in companies within each classification. Some abuses are peculiar to certain types of companies only. In addition, some managements have taken steps to eradicate some of the defects and malpractices prevailing in the industry. However, considering the investment-company industry as a whole, fundamental deficiencies and abuses actually or potentially exist in all classes of investment companies and, in the absence of legislative regulation, will continue or recur. The problem of the protection of the investor and the national economy is too vital to permit of haphazard voluntary solutions.

Investment trusts and investment companies have furnished but comparatively little capital to industry. For the most part these organizations have invested their funds in securities which have been outstanding for some time. On the other hand, investment trusts and investment companies could be capable of performing important functions in the national economy and of becoming one of the important institutions in this country for the investment of savings along with banks and insurance companies. As media for investment in securities, particularly equity securities, investment companies may be able to offer more diversification and more competent management than the ordinary individual himself can provide if the major present temptations to management, unrestrained by effective compulsory standards of fair conduct, are removed. Certain types of investment companies could be particularly useful to the national economy in supplying the needs of new industrial enterprises through equity financing and loans, thereby making available to these enterprises sources of capital funds which would otherwise be beyond their reach. Finally, investment companies, if made into real representatives of the participating investors and not of other interests, could become more effective advocates of the great body of investors in our industrial system than the now inarticulate small stockholder.

INVESTMENT COUNSEL AND ADVISERS

The activities of investment counsel and other investment advisory persons in many respects offer the same opportunity for abuse of trust reposed in them by investors as exists in the case of managements of investment companies. The extent of their influence is only partially indicated by the fact that the portion of these advisers studied by the Securities and Exchange Commission managed or gave advice with respect to over $4,000,000,000 of funds. The bill does not attempt to deal comprehensively with the problem of investment advisers but is intended only to eliminate the more obvious basic abuses relating to the type of individual who may register as an investment adviser, profit-sharing compensation, unloadings and perpetration of frauds upon clients, and assignment of clients' contracts.

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SUMMARY OF THE BILL

The bill contains two titles. Title I relates to investment trusts and investment companies of all types. Title II relates to investment counsel and other investment advisory services. The bill deals with abuses and deficiencies in the organization, sales of the securities, and operation of investment companies. In general, the theory of the bill is to eliminate wherever possible such abuses by direct prohibition of their continuance. Only in the comparatively few cases where the problems are complex and technical is a regulatory power vested in the Commission to correct malpractices by rules, regulations, or orders promulgated in accordance with precise standards prescribed in the bill. The following résumé is not a complete description of all the provisions of the bill nor of the abuses which the bill is designed to remedy.

INVESTMENT COMPANIES

Definitions, exemptions, and classifications of companies: Investment companies are substantially defined as issuers holding themselves out as engaging primarily in the business of investing, reinvesting, and trading in securities, or issuers which own or propose

to acquire securities (other than Government securities and securities of noninvestment company subsidiaries) having a value exceeding 40 percent of their total assets (other than Government securities and cash items). The bill does not cover companies which are not investment companies. It therefore excludes companies primarily engaged, directly or through subsidiaries, in the management and operation of a noninvestment business or businesses. It also specifically excludes brokers, underwriters, banks, insurance companies, holding companies subject to the Public Utility Holding Company Act of 1935, and certain other types of companies. The bill makes provision for the exemption of employees' investment companies upon such conditions as may be prescribed by the Commission (secs. 3, 6).

Investment companies as so defined are subdivided into various types and classes according to corporate structure and investment policies, with the power in the Commission to make further subclassifications (secs. 4, 5).

Registration, disclosure of investment policies, and size: As a condition to the use of the mails and the facilities and instrumentalities of interstate commerce, every investment company is required to register with the Securities and Exchange Commission and to keep current the information contained in its registration statement. The registration statement must clearly describe the investment policy of the company. Provision is made for the simplification of the registration procedure by permitting the filing of copies of registration statements already filed under the acts now administered by the Commission (secs. 7, 8). No fundamental shift in the company's investment policy may be made without the vote of the holders of a majority of the company's voting securities (sec. 13).

To prevent the indiscriminate formation of investment companies, no investment company organized hereafter may make a public offering of its securities unless it has a net worth of at least $100,000 prior to such offering. To eliminate impediments to the efficient supervision of investments, to protect securities markets, and to prevent excessive concentration of wealth and control over industry, $150,000,000 is the maximum amount of assets which may be supervised by one management investment company (sec. 14).

Registration of management, depositors, and distributors: The bill provides for a simple registration with the Commission of individuals serving as officers, directors, investment advisers, depositors, principal underwriters, and distributors of the securities of investment trusts and companies. Registration can be denied or revoked only after a hearing and only upon the ground of conviction of a crime; an injunction by a court in connection with a security transaction; a violation of any of the provisions of this bill; or misrepresentation of material facts in the registration statement (sec. 9).

Capital structures, devices for, and transfers of control: Provision is made to eliminate in the future the evils of complex capital structures; to apportion voting power equitably among the security holders of existing companies, and to prevent unfair dilution of stockholders' interest in the company. The bill provides hereafter that investment companies may issue only common stock having equal voting rights with every outstanding share of the company's stock; and that the Commission shall, on application of security holders, and may on its own motion, after 2 years from the effective date of the bill, take steps to effect an equitable redistribution of voting rights and privileges among the security holders. The common law preemptive right of stockholders to purchase additional shares issued by their companies is restored (sec. 18). The sale of voting trust certificates is made unlawful, and rules and regulations may be formulated with respect to the solicitation of proxies (sec. 20). The bill does not contain any provision requiring the elimination from capital structure of senior securities outstanding at the present time.

In order to prevent the circumvention of the stockholders' fundamental right to elect directors—a circumvention frequently accomplished by wholesale resignations of directors and their replacement by insiders, without the knowledge of stockholders—the bill provides that directors may be replaced without a stockholders' vote only to the extent of one-third of their number (sec. 16).

To safeguard against the complete delegation of the duties of officers and directors, and against long-term and oppressive-management contracts, such contracts may run for a period of not exceeding 2 years, if approved by the company's stockholders, and may be renewed on a year-to-year basis, subject to the disapproval of stockholders. Management contracts must state precisely all compensation to be paid to the managers, may not provide for profit-sharing schemes of compensation, and may not be assigned (sec. 15).

Distribution and repurchases of investment-company securities: To prevent the rapid and unsound formation of investment companies by promoters interested primarily in "merchandising" securities and in "switching" investors from old to new companies, and to eliminate conflicting interests, the bill prohibits the promoters of one investment company, within any 5-year period, from promoting and then participating in the management or securities distributions of the new investment companies. The Commission is empowered to exempt companies and individuals from this and other closely related provisions on the basis of certain prescribed standards (sec. 11). As a further deterrent to switching operations, contracts to distribute the securities of open-end investment companies may not be long-term agreements and may not be assigned (sec. 15).

While publicly offered securities of investment companies must be registered under the Securities Act of 1933, provision is made to eliminate duplication in the material filed under that act and the present bill (sec. 24). The Commission is directed to adopt rules and regulations to protect investors against dilution of their equity caused by pricing abuses in the distribution and redemption of the companies' securities (secs. 22, 23). To prevent grosly excesisve sales loads on securities of open-end companies and of unit investment trusts, the Commission, after a hearing and after giving weight to various factors prescribed in the bill, is empowered to order the cessation or modification of such charges (sec. 22).

To prevent discriminatory repurchases of their own securities by investment companies whose security holders do not have the right to require redemption, the bill authorizes the Commission to promulgate rules, regulations, and orders to prevent such discrimination (sec. 23).

Limitation on speculative and other activities: Investment companies may not trade on margin or participate in joint trading accounts in portfolio securities. The Commission is authorized to prevent the short sale of portfolio securities by rules and regulations. Some types of investment companies may engage in underwriting activities, if consistent with their declared financial and investment policies, while other types may engage in such activities only to a lmited extent (sec. 12).

While loans by investment companies to natural persons are prohibited, loans to corporations may be made under certain specified conditions. Generally, investment companies are prohibited from borrowing, except for temporary purposes in an amount not exceeding 5 percent of the value of the company's total assets (sec. 21).

Elimination of conflicting interests: The bill requires that a majority of the board of directors of every registered investment company be persons having no common outside affiliation and independent of those receiving brokerage, management, or underwriting compensation. Certain other specific limitations upon the outside affiliations of persons who occupy important positions in the conduct of the investment company's business are also imposed. Each of such provisions is directed to a specific and dangerous conflict of duty or interest (sec. 10).

Prohibitions against transactions by insiders with the investment companies: The bill prohibits "self-dealing" between insiders and the investment companies—transactions with the company in which its officers, directors, managers, etc., or their affiliated companies or firms have a personal pecuniary interest. These prohibitions are concerned primarily with sales and purchases of securities and other property to or from the investment company, the obtaining of loans from the company and joint participations with the company in underwritings and other financial ventures. Gross misconduct or abuse of trust by directors, officers, managers, investment advisers, principal underwriters, and distributors is also made unlawful (sec. 17). To prevent the use of the funds of investment companies to aid affiliated underwriters in their investment banking business, investment companies may not purchase securities underwritten by such affiliated persons until more than 1 year after the public distribution of such securities (sec. 10).

Transactions among pyramided and affiliated companies: Future pyramiding of investment companies is made unlawful by a provision forbidding the purchase by investment companies of the securities of other investment companies, except in connection with reorganization plans approved by the Commission (secs. 12, 25). The bill does not require the simplification of existing systems of investment companies.

Purchases and sales of securities between companies in the same investment company system are subjected to the scrutiny of the Securities and Exchange Commission in order to insure their fairness and their consistency with the investment policies of the companies involved and the purposes of the bill (sec. 17). The Commission is authorized by rules, regulations, or order to require that a company in an investment company system supplying management services to the constituent companies render such service at cost, equitably allocated among the various companies (sec. 15).

Cross-ownership and circular ownership of voting securities between and among investment and other companies is prohibited (sec. 20). Cross-ownership and circular ownership have had the effect in the past of giving a deceptive appearance of enhanced valuation of the assets of the investment companies concerned, attributable solely to the mirroring in each company of increased values of its own cross or circularly held securities.

Voluntary and involuntary reorganization: In order to prevent unfair plans of voluntary and involuntary reorganization, recapitalization and dissolution, the bill provides that such plans may be disapproved by the Commission if it finds, after a hearing, that they are not fair and equitable to all classes of security holders affected (sec. 25).

Accounting practices: The Commission is authorized to prescribe uniform accounting and auditing methods and the scope of such audits; to require investment companies to file with it and to transmit to its security holders annual or other periodic and special reports; and to examine the books of investment companies. Independent public accountants for investment companies must be elected by the stockholders. Principal accounting officers including controllers of such companies, who participate in the preparation of financial statements filed with the Commission, must be elected by the stockholders or appointed by the directors (secs. 30, 31, 32).

Dividends: Investment companies are prohibited from paying dividends derived from sources other than their net income from interest and dividends ("ordinary" income), unless expressly authorized to do so by their charters or by vote of their security holders. In-

vestment companies with more than one class of securities outstanding may not pay dividends, unless the securities senior to the security on which the dividend is to be paid are protected by a prescribed asset coverage (sec. 19).

Fixed trusts and certificates sold on the installment plan: To prevent the "orphaning" of fixed trusts and periodic payment plans, the bill provides that only banks and trust companies may act as trustees; requires the trust indenture to contain provisions enabling the trustee to be remunerated out of the trust funds; and prohibits the trustee or depositor from resigning except under prescribed conditions. The Commission is empowered, when any such trust has in fact become an "orphan," to bring proceedings in an appropriate Federal district court for the distribution of its assets to its security holders (secs. 26, 27).

To prevent the perpetration of frauds upon investors in the lowest income levels who may purchase investment certificates upon the installment plan, provision is made against excessive sales loads and excessive penalties and forfeitures for lapses and defaults (sec. 27).

Face-amount certificate companies: Companies which sell this type of investment contract are required to have a minimum paid-in capitalization of $250,000 and must maintain reserves in an amount sufficient to meet the maturity value of their certificates on their due dates. Such reserves must be invested in securities of a character similar to those usually required for the investment of life-insurance-company reserves, and the Commission may require such investments to be deposited with corporate trustees. To eliminate excessive penalties and forfeitures, provision is made with respect to cash surrender values (sec. 28). The Bankruptcy Act is amended to provide that deposits of securities and property made with State authorities for the benefit of future certificate holders shall be void as against the trustees in bankruptcy of such companies. It is also provided that any such trustee in bankruptcy shall be appointed by the court after giving the Commission an opportunity to be heard (sec. 29).

Other provisions: Settlements of claims against investment companies and their officers and directors for breaches of official duty and settlements of class suits by security holders must be approved by a court. The Commission is empowered to submit advisory reports to the courts with reference to such settlements (sec. 33).

The remaining sections of the title follow the pattern already established in the three acts now being administered by the Commission. These sections relate to definitions; the general powers of the Commission with respect to the issuance of rules and regulations; the administration and enforcement of the title; the right to judicial review of orders of the Commission; liability for misleading statements; and penalties for violation of the provisions of the title.

INVESTMENT ADVISERS

Registration, revocation, and exemptions: Title II of the bill deals with investment advisory services—individuals or organizations engaged in the business of furnishing for a consideration investment advice with respect to the purchase or sale of securities. Banks, attorneys, accountants, engineers, etc., who give investment advice only as an incident of their primary activities are excluded from the provisions of this title (title I, sec. 45 (16)). Investment advisers are required to register with the Securities and Exchange Commission and to disclose pertinent information as to their organization, nature, and character of their personnel, and methods of operation. The Commission is empowered, after a hearing, to deny or revoke the registration of any investment adviser on grounds identical with those provided for the denial or revocation of registration of officers, directors, etc., of investment companies (sec. 204).

Conflicts of interest and unlawful activities: The bill provides that it shall be unlawful for investment advisers to employ fraudulent devices in administering the funds of clients or to engage in any transaction which would operate as fraud on the clients. An investment adviser acting as principal in selling any security to a client is required to disclose to the client his personal interest in the transaction (sec. 206). The bill also prohibits compensation to investment advisers on a profit-sharing basis (sec. 205).

CONTINUANCE OF PUBLIC-WORKS PROGRAM

Mr. ANDREWS. Mr. President, I ask unanimous consent to introduce a bill providing $300,000,000 for the continuance of the public-works program. The bill authorizes loans to public bodies and nonprofit organizations for public works and makes an appropriation therefor. It provides a self-financing and self-perpetuating revolving fund which ultimately will cost the Federal Government nothing.

The cessation of Federal assistance in the form of loans to State and local bodies in the prosecution of a public-works program will bring serious economic consequences and add to the Nation's already critical problem of unemployment—unemployment of men and money.

Last September the Public Works Administration returned some 5,000 applications of public bodies for assistance in public works because of the failure of Congress to provide for the continuation of this important undertaking.

These 5,000 applications represented a great backlog of useful, sound public undertakings. If anything, the need for this work is greater today than it was when the applications were returned last fall. The bill I am introducing today will take up where the Public Works Act of 1938 left off.

From one end of the country to the other there is pressing need not only for employment but for the public structures American communities planned to erect under P. W. A. My bill will go a long way toward filling that need.

The bill I am proposing, in brief, continues the Public Works Administration, giving it a $300,000,000 revolving fund for this purpose. And every penny of that $300,000,000 will be returned to the Treasury.

My bill goes beyond the scope of the bill introduced by the Senator from New York [Mr. MEAD] in that the projects to be financed are not limited to hospitals, water works, and sewerage systems. Just as in the 1938 act, loans are to be made to public bodies, loans may also be made to nonprofit organizations to finance hospitals, health centers, clinics, colleges, schools, recreational facilities, or facilities for handling and storage of farm products, if such projects are devoted to public use.

Every loan must mature within the useful life of the project for which made, but not to exceed 50 years.

The bill requires that all workmen, laborers, and mechanics employed in the construction of any project shall be paid the prevailing wage for the corresponding classes of workmen employed on projects of a similar character in the same locality. No workman shall be compelled to work a greater number of hours per week than the applicable maximum established by the Fair Labor Standards Act of 1938, or be compensated at a rate less than the applicable minimum rate established by that act.

The bill provides that obligations purchased thereunder, when sold by the United States, shall be guaranteed as to principal and interest by the Government. A guaranty fund for the payment of any demands which might be made under such guaranty is to be provided initially from the sales of securities now held in the P. W. A. portfolio. The interest rate is to be fixed by the Commissioner of Public Works so as to maintain the guaranty fund in a sufficient amount and to reimburse the Treasury for the interest it pays on the money placed in the revolving fund.

There being no objection, the bill (S. 3589) to authorize loans to public bodies and nonprofit organizations for public works, and making an appropriation therefor, was read twice by its title and referred to the Committee on Banking and Currency.

HOUSE BILL REFERRED

The bill (H. R. 8913) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1941, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

EXTENSION OF RECIPROCAL TRADE AGREEMENTS ACT—AMENDMENT

Mr. WILEY submitted an amendment intended to be proposed by him to the joint resolution (H. J. Res. 407) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, which was ordered to lie on the table and to be printed.

EXTENSION OF ANTIPERNICIOUS POLITICAL ACTIVITIES ACT—AMENDMENT

Mr. BROWN submitted two amendments intended to be proposed by him to the bill (S. 3046) to extend to certain officers and employees in the several States and the District of Columbia the provisions of the act entitled "An act to prevent pernicious political activities," approved August 2, 1939, which were ordered to lie on the table and to be printed.

AMENDMENT TO LEGISLATIVE APPROPRIATION BILL

Mr. MEAD submitted an amendment proposing to adjust the compensation of the messenger at special gallery door, intended to be proposed by him to House bill 8913, the legislative appropriation bill, 1941, which was referred to the Committee on Appropriations and ordered to be printed.

AMENDMENTS TO INTERIOR DEPARTMENT APPROPRIATION BILL

Mr. THOMAS of Oklahoma submitted an amendment proposing to appropriate $185,000 for hospital facilities for the Creek Nation, and so forth, intended to be proposed by him

to House bill 8745, the Interior Department appropriation bill, 1941, which was referred to the Committee on Appropriations and ordered to be printed.

Mr. CLARK of Idaho submitted an amendment intended to be proposed by him to House bill 8745, the Interior Department appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

On page 6, line 14, after "$250,000" and before "Provided", insert the following clause: "For the detection, prevention, and suppression of fires on lands within grazing districts, including the maintenance of patrols, the employment of field personnel, and purchase of necessary equipment, $130,000."

SALE AND DISTRIBUTION OF NATURAL GAS AND PETROLEUM

Mr. NYE submitted the following resolution (S. Res. 245), which was referred to the Committee on the Judiciary:

*Resolved*, That the Judiciary Committee of the Senate is hereby authorized to take testimony, investigate, and report to the Senate (a) whether any person, partnership, or corporation has violated, or is violating, the antitrust laws by acting in a manner which created a monopoly or tends to create a monopoly for the control of the production, transportation, sale, and distribution of natural gas and petroleum, and (b) whether the antitrust laws have been fully, adequately, and impartially enforced to enable consumers and potential consumers to obtain supplies of natural gas and petroleum on a competitive basis.

For the purpose of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions and recesses of the Senate in the Seventy-sixth Congress, to employ such assistance, to require by subpena or otherwise the attendance of such witnesses, and the production of such books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words.

The expenses of the committee, which shall not exceed $10,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

ADDRESS BY REAR ADMIRAL C. H. WOODWARD REFORE EASTERN SAFETY CONFERENCE

[Mr. WALSH asked and obtained leave to have printed in the RECORD the address delivered by Rear Admiral Clark H. Woodward, United States Navy, commandant of the third naval district, at the sixteenth annual eastern safety conference held at Newark, N. J., February 15, 1940, which appears in the Appendix.]

EXTRACT FROM REPORT BY NICHOLAS MURRAY BUTLER TO CARNEGIE ENDOWMENT FOR INTERNATIONAL PEACE

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD a portion of the annual report of Nicholas Murray Butler, director of the division of intercourse and education, to the Carnegie Endowment for International Peace, which appears in the Appendix.]

BERMUDA AND THE BRITISH WAR DEBT

[Mr. REYNOLDS asked and obtained leave to have printed in the RECORD an article by Mr. Lynn A. E. Gale entitled "If Bermuda Had Been American, Not British, Soil," which appears in the Appendix.]

RESOLUTIONS OF HOLLYWOOD CENTRAL YOUNG DEMOCRATS

[Mr. PEPPER (by request) asked and obtained leave to have printed in the RECORD a letter addressed to him by the president of the Hollywood Central Young Democrats, of Hollywood, Calif., together with resolutions adopted by that organization, which appear in the Appendix.]

EXTENSION OF ANTIPERNICIOUS POLITICAL ACTIVITIES ACT

The Senate resumed the consideration of the bill (S. 3046) to extend to certain officers and employees in the several States and the District of Columbia the provisions of the act entitled "An act to prevent pernicious political activities," approved August 2, 1939.

The VICE PRESIDENT. When the Senate took a recess yesterday the Senator from Florida [Mr. PEPPER] had the floor and expressed a desire to continue his address today. In fact, he obtained unanimous consent to do so.

Mr. SMATHERS. Mr. President——

Mr. PEPPER. I yield to the Senator from New Jersey.

Mr. SMATHERS. Yesterday a colloquy occurred between the Senator from Alabama [Mr. BANKHEAD] and the Senator from New Mexico [Mr. HATCH] upon the subject of some prosecutions taking place in the State of New Jersey, and the question was raised whether or not the prosecutions were under the Hatch Act. I ask unanimous consent to have published in the RECORD as a part of my remarks a newspaper article appearing in the Atlantic City Press under date of March 13. The heading is "Judy Clears McGrath—Dix's Fate Undecided at Midnight." At the end of the article it is stated that the prosecutions were not under the Hatch Act.

The VICE PRESIDENT. Is there objection to the request of the Senator from New Jersey? The Chair hears none.

The article is as follows:

[From the Atlantic City Press of March 13, 1940]

JURY CLEARS MCGRATH, DIX'S FATE UNDECIDED AT MIDNIGHT

Thomas McGrath, former Pleasantville W. P. A. supervisor, was exonerated on two indictments charging him with extortion and receiving political funds from W. P. A. workers by a jury in United States district court at Camden last night.

George Dix, his codefendant, was also found not guilty on the extortion indictment.

When the jury returned at 10:30 p. m., after 10 hours of deliberation, it brought in a verdict in the second indictment finding Dix guilty of receiving political funds but finding him not guilty of soliciting the money.

Judge Biggs told the jurors that they must find the defendant either guilty or not guilty of both soliciting and receiving the money from the W. P. A. workers. He said the two acts could not be separated in the verdict.

RETIRE AT MIDNIGHT

The jury again retired and at midnight they had reached no new verdict in the Dix case.

If he is convicted under this act, passed in 1883, he faces a maximum term of 5 years in prison and $5,000 fine on each count.

Twice during the afternoon the jury returned for instructions. On the first occasion they asked Judge Biggs if the charges came under the Hatch Act. They were told they did not.

On the second trip back to the bench, the jury asked if soliciting and receiving funds were the same and were told that the two acts were equally unlawful.

PLEADS FOR DIX

George Naame, counsel for Dix, in summing up the case for the jury, said that all eight W. P. A. workers who testified for the Government were a part of the Democratic organization in Pleasantville and had made volunteer contributions to their party through Dix.

"If Dix is guilty of receiving political contributions from Federal workers, then far greater Federal officials are guilty of far greater crimes," Naame said.

"POLITICAL ENEMIES

"You have the right to infer that these men were political enemies of Dix and that this was their way of getting even. Out of the 50 or more skilled workers who received exemptions and higher pay, only these few testified against these two men," Naame continued.

Robert McAllister, counsel for McGrath, pointed out to the jury that none of the men had testified to giving any money to his client.

But William F. Smith, assistant United States attorney, declared that it was not the Democratic Party on trial, but the two defendants, who, he said, "had been taking bread and butter out of the mouths of the W. P. A. workers.

"Do you think that these W. P. A. workers went to Dix every pay day and out of $65 received for 2 weeks, gave him $10 voluntarily?" Smith asked.

SAYS CLUB GOT MONEY

Smith said that he realized there were defects in the case against McGrath, but he declared that even if he aided and abetted Dix on the witness stand, he was equally guilty.

Dix, in taking the stand in his own defense, as the trial was resumed in the morning, declared that he had turned all the money which he collected over to the treasurer of the Pleasantville Democratic Club and said that it had been given to him voluntarily by the W. P. A. workers. He said he was suspended from the W. P. A. on October 20, 1939, and denied that he had any agreement with McGrath to force the payment by the workers.

Under cross-examination by Smith, Dix admitted that he held no office in the Mainland political club and denied that he used any of the money himself.

Mr. HATCH. Mr. President, will the Senator from Florida yield to me?

Mr. PEPPER. I yield.

Mr. HATCH. The information just divulged by the Senator from New Jersey is not quite complete in itself. This morning I also received information of the prosecution referred to. On yesterday I merely read into the RECORD what

the newspaper said. The prosecutions were for offenses committed long before the passage of the act which was enacted last summer.

Mr. PEPPER. Mr. President, a day or two ago a friend of mine from New York told me a story which seems to me to illustrate pretty well what might be said about State sovereignty in this day and time. He said there was in his State a certain gentleman who was very fond of the game of poker. One evening, as he had done several times before, he had his friends in for a game. They enjoyed themselves very much that evening, so much so that when 12 o'clock arrived, the agreed time for quitting, the host suggested to his friends that they continue the game. One of his friends said, "Well, what about your wife? May she not perhaps object to our staying later?" The host said, "Oh, don't you worry about that. I will take care of that, fellows. We are having a good time. Let's just play right on. When it comes to my own household, fellows, I am a Julius Caesar." The game was resumed; and about that time the door opened, and the wife arrived. She said, "Good evening, gentlemen," and they rose and spoke. She said, "Gentlemen, in the dining room you will find food and drink. I want you to go in and partake of it as you will, and I want you to enjoy yourselves and stay just as long as you will stay." Then she turned and said, "But as for Julius Caesar, here, he is going to bed." [Laughter.]

State sovereignty will be about as secure as this gentleman's domestic sovereignty, it seems to me, if this bill is passed as proposed by the able Senator from New Mexico.

Mr. NORRIS. Mr. President——

Mr. PEPPER. I yield to the Senator from Nebraska.

Mr. NORRIS. The Senator ought to have finished the story. Did Julius go to bed, as a matter of fact, or did he not?

Mr. PEPPER. The deduction of the able Senator from Nebraska was completely justified by the fact. Julius Caesar immediately retired. [Laughter.]

Mr. President, in justice to those of us who have opposed this bill, I want to say that it is our understanding of the bill, first, that it is not a clean-politics bill. It is not a bill to prevent corrupt practices in political campaigns.

It is not a bill to prevent excessive interference in political campaigns by moneyed interests of one sort or another; it is not a bill to prevent corporate enterprise or any other influence from reaching across State lines to interfere unjustly in any State campaign or election. It is not a bill for a civil-service system in the administrative agencies of this Government. It is not a bill which sets up a merit system for personnel in the agencies of the Federal Government, or in the agencies of State governments which receive Federal contributions. It is not a bill which tends to create a more competent staff of administrative officials. It strikes at no abuse which has been brought to the attention of the American Congress, because it deals with State activities, with State employees, in regard to State matters, and, so far as that subject is concerned, I know of no investigation, I know of no protest or clamor which comes from the people themselves in the several States demanding the passage of legislation of this character.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. HATCH. If the Senator will come to my office I shall be glad to turn my files over to him, which include communications from every State of the Union.

Mr. PEPPER. I should be glad to know the nature of the communications and their number, to see whether they were representative of the several States of the Union. At least so far as has been disclosed on this floor, the initiative for this legislation comes from the able Senator from New Mexico, and perhaps others who have had unhappy experiences in their States, or anticipate that they might have unfortunate experiences, and it does not come from the masses of the people of America themselves. Therefore, we protest against the proposed legislation, because it is not designed to circumscribe the activities of Federal officials with respect to Federal affairs. It is not confined to curtailing coercion upon even State employees by State officials. It circumscribes the activities of the individual State employees in respect to matters in which they only may have a personal interest.

I would imagine, if I had heard just the early part of this debate, and perhaps had casually only read the bill, that it was designed to prevent the growing up of great State machines, of one sort or another, which might have some unwholesome influence in political life. If that were the only object of the bill, it would stop with the provision that State officials, if they are partially financed by Federal funds, may not coerce their employees and may not use their official power to interfere with an election. If that were the object of the bill, that would be a sufficient prohibition to reach the abuse at which it was aimed. But the able Senator from New Mexico stated on the floor of the Senate yesterday that if the language my amendment proposes to strike out, namely, "No such officer or employee shall take any active part in political management or in political campaigns," were stricken out, perhaps he would not vote for the bill.

So his point of emphasis is not the breaking down of State machines, it is not the curbing of coercion on the part of State officials against their employees, it is not intended to restrain State officials from interfering with local elections; it is to circumscribe the activities of individual men and women in their own States, in dealing with their own local affairs on their own initiative. They do not have to act in concert; they do not have to act in an organized way which might constitute a menace, which might constitute interference. They may go in either one of their several directions, and they will violate this law whether their political activity is on their own initiative or that of some relative in the family, or because of their political convictions or what not. I say that goes too far to serve the legitimate purposes of this kind of legislation, and that in carrying it too far the able Senator is going to defeat the noble purposes which lie behind this legislation.

I might give a recent example of how that principle is going to work out as to another agency of the Government. The Federal Bureau of Investigation has risen into the highest esteem which perhaps any agency of Government enjoys among the people of this country. Everyone was in favor of its activities; Congress appropriated liberally for it; we all lauded its efforts. Then what happened? It crept further and further and further in its zeal, in its interference with local affairs, until finally, not the Senator from Florida but the Interstate Commerce Committee of the United States Senate, in the last few days reported a resolution for an investigation of that agency, after the subject was pointed to by the able Senator from Nebraska [Mr. NORRIS], and after a resolution had been offered by the able Senator from Rhode Island [Mr. GREEN].

This indicates that when we go too far we get an unfavorable reaction. We do not desire to curb the activities of the Federal Bureau of Investigation. We want it to be an efficient, effective functioning agency to protect the people of America. But just as soon as it loses its sense of discretion, just as soon as it throws off reasonable restraint, just as soon as it gives way to excessive zeal there begins a reaction, and we find the Committee on Appropriations of the House of Representatives calling Mr. Hoover before it and interrogating him about his activities, with a view to diminishing his appropriation if they found him going beyond what they thought were reasonable activities of the Federal Bureau of Investigation.

Involved in the pending bill is the danger of the Federal Government, if the language to which I have referred remains in the bill, attempting to police every man and woman out of about 2,800,000 who work for the Several States of this country. It is an impossible task administratively. It will merely mean that an army of snoopers will be all through the State organizations; that employees will be encouraged to report on one another, and concoct some kind of a story just before election. Perhaps one will say, "I heard Miss Smith, the lady who got a raise when I did not, say that she was

going to vote for Mr. So-and-So." And they will be bringing it to the attention of the Attorney General, and asking him to send out an investigator to find out whether Miss Smith said, "Tonight I am getting up a little party at my house to forward the candidacy of Mr. So-and-So," or whether she said tonight she was merely going to have a little party at her house, and she only said she was in favor of Mr. So-and-So.

Mr. HILL. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. HILL. The Senator speaks of going too far. Have we not a perfect illustration of that kind of thing in the prohibition amendment to the Constitution, and the Volstead Act? Certainly no legislation was ever put on the statute books to carry out a higher purpose or a nobler motive than the Volstead Act and the eighteenth amendment to the Constitution. Yet they went too far. Public sentiment was not for the amendment or for the act; and what happened? There was so much violation of law, so much disregard of law, so much disregard of the American Constitution itself, that we had to repeal the amendment, and then, of course, repeal the act.

The great trouble, when we go too far, is that we not only invite violations of the act we pass, but we breed and create disrespect for all law and all constituted authority of government. In the particular instance the Senator is so well discussing and clearly pointing out, we go beyond public sentiment, we go beyond what the people themselves believe is right and justified, and we get this kind of reaction, reaction not only against the law we pass, but against all government and all constituted authority.

Mr. PEPPER. Mr. President, I thank the able Senator from Alabama, and I agree a hundred percent with every word he has said. There never was an effort made to do such a thing which did not come from a generous and a noble and a wholesome impulse. But some of the most severe criticisms which have been directed against any part of the New Deal program have come from those who have conscientiously thought that perhaps we went a little further than the facts and circumstances imperatively justified or required. If the able Senator from New Mexico is to have the great legislation which he has already put upon the statute books remain upon the statute books, if it is to be permanent American policy, he would better be satisfied with reasonable success.

I said this bill was not a civil-service bill. The Senator from New Mexico knows that there is pending in a committee of the Senate a bill which has passed the House of Representatives, sponsored by Representative RAMSPECK, of Georgia, providing broad extension of the civil service in this country. That presents a square-cut issue: Do you believe in civil service, or do you not? Do you believe in the merit system for the selection of personnel, or do you not? But the able Senator from New Mexico is not giving us a civil-service system, a merit system; he is not saying, "Let us amalgamate this bill with the Ramspeck bill." He is not saying, "Let us take a committee and hash this thing over and put into this very legislation, perhaps, a corrupt practice bill, a civil-service bill, and a bill to improve the conduct of personnel and restrict pernicious political activity."

I believe that if this bill had been limited to pernicious political activities, as was contemplated in the Miller amendment, there would not have been any substantial controversy about its passage, but to say that the Federal Government shall go into a county in Alabama, or Florida, or Nebraska, and ferret out a stenographer, ferret out a janitor, ferret out a doorkeeper, ferret out a file clerk, ferret out a State highway engineer, a man working on the road with a pick and shovel, a man running a grading machine, a girl who is perhaps running a machine such as a comptometer and shall police the political activities of every one of those men and women in respect to local affairs, is the most preposterous proposal I have ever heard suggested since I have been in the Senate.

Mr. STEWART. Mr. President——

The PRESIDING OFFICER (Mr. BANKHEAD in the chair). Does the Senator from Florida yield to the Senator from Tennessee?

Mr. PEPPER. I yield.

Mr. STEWART. I wish to inquire exactly what the Senator's amendment is. As I understand, it is an amendment dealing with certain language of section 12.

Mr. PEPPER. That is correct. I wish the Senate to know exactly the purpose of my amendment. I propose by my amendment to strike out the following language in lines 21 and 22, on page 4, in section 12:

> No such officer or employee shall take any active part in political management or in political campaigns.

My amendment does not affect the language which appears previous to the language which I would delete, as follows:

> No officer or employee of any State or local agency who exercises any function in connection with any activity which is financed in whole or in part by loans or grants made by the United States or by any Federal agency shall use his official authority or influence for the purpose of interfering with an election or affecting the result thereof.

I do not by my amendment impair that language. It deals with the pernicious political activity which the Senator from New Mexico wants to strike at, as I understand, but I do want to take out the curb which he proposes upon the activity which is engaged in by the individual employee upon his or her own initiative.

Mr. STEWART. Mr. President, the words that are proposed to be stricken from section 12 of the measure are simply:

> No such officer or employee shall take any active part in political management or in political campaigns.

Mr. PEPPER. That is correct.

Mr. STEWART. In the print which appears on our desks this morning, which is a print ordered to be made of the measure, together with the amendments adopted to date, the amendment which the Senator has offered would appear in lines 23 and 24.

Mr. PEPPER. Mr. President, that is not the official bill. That print was provided simply for the convenience of the Senate.

Mr. STEWART. I wish to ask the Senator another question concerning his amendment. What effect would it have on the original Hatch Act?

Mr. PEPPER. It would not affect the original Hatch Act in any way whatsoever.

Mr. STEWART. While I am on my feet I may ask the Senator another question. In the reprinted copy of the bill which lies on our desks this morning, which is the original bill together with the amendments which have so far been adopted, on page 7, lines 21 and 22, it is provided that when any employee has violated the act, and within the period of 18 months been reemployed, a sum twice the amount of the annual salary of such employee may be withheld by the Government from its loans or grants to a State. With respect to that amount, which is referred to as twice the amount of the annual salary of such employee, is it the purpose of that provision, or could such a construction be placed on it, that the employee himself shall lose his salary?

Mr. PEPPER. No; Mr. President, I assume the fair interpretation would be that the amount is to be withheld from the State or from the agency affected, and not to be taken from the individual.

Mr. STEWART. I assume that to be correct, but I was wondering whether the amount which is to be fixed at twice the salary of the employee would affect the individual's salary or be deducted from his salary.

Mr. PEPPER. I think it would not affect his salary except, of course, that by his conviction he would lose his job, and therefore, of course, lose his salary.

Mr. STEWART. Let me ask the Senator one more question and then I am through. Section 12 provides that if an employee violates the provisions of this measure he cannot be employed for a period of 18 months, and it imposes the

penalty to which I just referred. The Senator yesterday afternoon in his argument said that the original Hatch Act, in section 9, subsection (b) thereof, provides that a United States Government employee violating the act cannot be reemployed at any time within 18 months, or after 18 months, or at any time in his lifetime.

Mr. PEPPER. He cannot be reemployed in that job under the Federal Government; that is correct. That appears in subsection (b) of section 9.

Mr. STEWART. The act reads:

> No part of the funds appropriated by any act of Congress for such position or office shall be used to pay the compensation of such person.

He could be employed otherwise in another capacity by the United States Government.

Mr. PEPPER. But the Senator can well imagine what chance he would have for reemployment if he first had been discharged for violation of one of the provisions of the law. That would certainly be placed on his record; so it would be a black mark against him, and he certainly would not stand much chance of reemployment.

Mr. President, that concludes what I wanted to say about the bill. The able Senator from Tennessee [Mr. McKELLAR] yesterday placed in the RECORD tables published in the report of the Secretary of the Treasury, which indicated that over a billion dollars a year is given by the Federal Government in aid to the several States, and Senators will be astonished when they discover how many ramifications there will be to this bill if enacted. In other words, it is almost an assurance that the major part of all these State and local employees will in one way or another be affected by the provisions of the bill which I am trying to strike out. I submit to the able and statesmanlike Senator from New Mexico that it is wiser, it is better, it is safer, it is more just to leave the original Hatch Act as it now stands on the statute books, and retain the pernicious political activities provision of the bill—and it would still remain in this bill if my amendment should be adopted—but cut out the ultimate extension of the measure to the local activities of employees of the several States in dealing with local matters only.

In justification of the opposition of some of us who generally favor the extension of Federal power, I thought it was appropriate to say that the reasons suggested indicate why we are not in favor of this provision of the bill.

Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. BARKLEY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Adams | Downey | La Follette | Schwellenbach |
| Andrews | Ellender | Lee | Sheppard |
| Ashurst | Frazier | Lodge | Shipstead |
| Austin | George | Lucas | Smathers |
| Bankhead | Gerry | McCarran | Smith |
| Barbour | Gibson | McKellar | Stewart |
| Barkley | Gillette | McNary | Taft |
| Bilbo | Glass | Maloney | Thomas, Idaho |
| Brown | Green | Mead | Thomas, Utah |
| Bulow | Guffey | Miller | Townsend |
| Burke | Gurney | Minton | Tydings |
| Byrnes | Hale | Murray | Vandenberg |
| Capper | Harrison | Neely | Van Nuys |
| Caraway | Hatch | Norris | Wagner |
| Chandler | Hayden | Nye | Walsh |
| Clark, Idaho | Herring | O'Mahoney | Wheeler |
| Clark, Mo. | Hill | Pepper | White |
| Connally | Holman | Reed | Wiley |
| Danaher | Holt | Reynolds | |
| Davis | Hughes | Russell | |
| Donahey | Johnson, Colo. | Schwartz | |

The PRESIDING OFFICER. Eighty-one Senators have answered to their names. A quorum is present.

Mr. HATCH. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HATCH. As I understand, the vote is on the amendment offered by the Senator from Florida.

The PRESIDING OFFICER. That is correct.

Mr. PEPPER. Mr. President, may the amendment be stated?

The PRESIDING OFFICER. The amendment offered by the Senator from Florida [Mr. PEPPER] to the amendment reported by the committee will be stated.

The LEGISLATIVE CLERK. On page 4, line 21, after the word "thereof" and the period, it is proposed to strike out the following language: "No such officer or employee shall take any active part in political management or in political campaigns."

The PRESIDING OFFICER. The yeas and nays have been ordered. The clerk will call the roll.

### RAILROADS IN THE TERRITORY OF ALASKA

Mr. TYDINGS. Mr. President——

The PRESIDING OFFICER. For what purpose does the Senator from Maryland rise?

Mr. TYDINGS. The vote has not yet been started, and I understand no Senator has the floor. Am I correct?

The PRESIDING OFFICER. The Senator from Maryland is correct.

Mr. TYDINGS. Mr. President, in the last session of Congress—that is, the session which adjourned in 1939—the Senate passed Senate bill 1785, dealing with railroads in Alaska. The bill went to the House, and the House, instead of acting on the Senate bill, passed a similar House bill. The House bill has a slight variation from the Senate bill, which does not change the philosophy of the bill but somewhat restricts the source of the money. There is practically no difference between the two bills. I know of no objection to the bill. We have been urged to pass the bill at an early date. As the measure passed both Houses in almost idential form, I ask unanimous consent that the House bill be taken up and passed at this time, so that it may be disposed of. The work should be begun as promptly as possible.

Mr. REED. Mr. President, reserving the right to object, in the absence of the Senator from Montana [Mr. WHEELER], chairman of the Interstate Commerce Committee——

Mr. TYDINGS. This bill has nothing to do with interstate commerce. It involves the use of some busses in the public parks to augment the railroad system. So far as I know, it has not the slightest relation to interstate commerce. The Department has been urging the passage of the bill for a long time, and I have been awaiting an opportunity to ask for its consideration. The bill is a very mild local measure for Alaska.

Mr. REED. I accept the statement of the Senator.

The PRESIDING OFFICER. The Chair lays before the Senate a bill coming over from the House of Representatives, which will be read.

The bill (H. R. 4868) to amend the act authorizing the President of the United States to locate, construct, and operate railroads in the Territory of Alaska, and for other purposes, was read the first time by its title, and the second time at length, as follows:

> *Be it enacted, etc.*, That section 1 of the act to authorize the President of the United States to locate, construct, and operate railroads in the Territory of Alaska, and for other purposes, approved March 12, 1914 (38 Stat. 305), as amended, be, and the same is hereby, amended by adding thereto the following:
>
> "That in order to provide for the adequate housing, feeding, and transportation of the visiting public and residents of Mount McKinley National Park in Alaska, there is authorized to be appropriated out of the general funds of the Treasury a sum not to exceed the sum of $30,000; and the President of the United States be, and he is hereby, authorized and empowered, through such agency or agencies as he may designate, to construct, reconstruct, maintain, and operate lodges, and other structures and appurtenances incident thereto; to purchase, upon such terms as he may deem proper, the personal property, structures, and buildings of the Mount McKinley Tourist & Transportation Co. that are operated and used in said park under contract authorization by the Department of the Interior, and the equities of the Mount McKinley Tourist & Transportation Co. in the business developed and conducted in connection therewith; to purchase or otherwise acquire motor-propelled passenger-carrying vehicles and all necessary fixtures and equipment, and to operate, repair, recondition, and maintain the same in order to carry out the purpose of this act, notwithstanding the restrictions imposed by law with regard to the purchase, maintenance, repair, or operation of motor-propelled, passenger-carrying vehicles; and to operate or sell the equipment and facilities herein authorized, directly or by contract

or contracts with any individual, company, firm, or corporation, under such schedule of rates, terms, and conditions, as he may deem proper."

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. BARKLEY. That, of course, presupposes that the pending business is temporarily laid aside for the consideration of this bill, and that we automatically return to the consideration of the pending business.

The PRESIDING OFFICER. The present occupant of the chair would so rule.

Is there objection to the present consideration of the bill?

There being no objection, the bill, H. R. 4868, was considered, ordered to a third reading, read the third time, and passed.

EXTENSION OF ANTIPERNICIOUS POLITICAL ACTIVITIES ACT

The Senate resumed the consideration of the bill (S. 3046) to extend to certain officers and employees in the several States and the District of Columbia the provisions of the act entitled "An act to prevent pernicious political activities," approved August 2, 1939.

The PRESIDING OFFICER (Mr. HILL in the chair). The question is on agreeing to the amendment offered by the Senator from Florida [Mr. PEPPER] to the amendment reported by the Committee. On this question the yeas and nays have been demanded and ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CLARK of Missouri (when Mr. TRUMAN's name was called). My colleague is unavoidably detained on important official business. If present, he would vote "nay."

The roll call was concluded.

Mr. AUSTIN. I announce the following pairs:

The Senator from New Hampshire [Mr. TOBEY] with the Senator from Illinois [Mr. SLATTERY]. If the Senator from New Hampshire were present, he would vote "nay," and if the Senator from Illinois were present, he would vote "yea."

The Senator from California [Mr. JOHNSON] with the Senator from Utah [Mr. KING]. I am informed that if the Senator from California were present, he would vote "nay," and that if the Senator from Utah were present, he would vote "yea."

The Senator from North Dakota [Mr. NYE] with the Senator from Arkansas [Mr. MILLER]. If present, the Senator from North Dakota would vote "nay," and the Senator from Arkansas would vote "yea."

Mr. MINTON. I announce that the Senator from Washington [Mr. BONE] and the Senator from Utah [Mr. KING] are absent from the Senate because of illness.

The Senator from New Mexico [Mr. CHAVEZ], the Senator from Minnesota [Mr. LUNDEEN], the Senator from Arkansas [Mr. MILLER], the Senator from Montana [Mr. MURRAY], the Senator from Nevada [Mr. PITTMAN], and the Senator from Oklahoma [Mr. THOMAS] are absent on departmental business.

The Senator from Virginia [Mr. BYRD], the Senator from North Carolina [Mr. BAILEY], the Senator from Maryland [Mr. RADCLIFFE], and the Senator from Illinois [Mr. SLATTERY] are detained on important public business.

The Senator from Louisiana [Mr. OVERTON] is unavoidably detained.

The Senator from Oklahoma [Mr. THOMAS] is paired with the Senator from New Hampshire [Mr. BRIDGES]. I am advised that if present and voting, the Senator from Oklahoma would vote "yea," and the Senator from New Hampshire would vote "nay."

The Senator from Nevada [Mr. PITTMAN] is paired with the Senator from Louisiana [Mr. OVERTON]. I am advised that if present and voting, the Senator from Nevada would vote "yea," and the Senator from Louisiana would vote "nay."

Mr. THOMAS of Utah. I have a general pair with the Senator from New Hampshire [Mr. BRIDGES]. I am advised, however, that he would vote as I intend to vote and that he has a special pair on this question. I am therefore at liberty to vote.

The result was announced—yeas 28, nays 50, as follows:

YEAS—28

| | | | |
|---|---|---|---|
| Adams | Caraway | Hayden | McKellar |
| Andrews | Connally | Herring | Minton |
| Bankhead | Donahey | Hill | Pepper |
| Bilbo | Ellender | Hughes | Schwellenbach |
| Brown | Glass | Lee | Smathers |
| Bulow | Guffey | Lucas | Smith |
| Byrnes | Harrison | Maloney | Stewart |

NAYS—50

| | | | |
|---|---|---|---|
| Ashurst | George | McCarran | Thomas, Idaho |
| Austin | Gerry | McNary | Thomas, Utah |
| Barbour | Gibson | Mead | Townsend |
| Barkley | Gillette | Neely | Tydings |
| Burke | Green | Norris | Vandenberg |
| Capper | Gurney | O'Mahoney | Van Nuys |
| Chandler | Hale | Reed | Wagner |
| Clark, Idaho | Hatch | Reynolds | Walsh |
| Clark, Mo. | Holman | Russell | Wheeler |
| Danaher | Holt | Schwartz | White |
| Davis | Johnson, Colo. | Sheppard | Wiley |
| Downey | La Follette | Shipstead | |
| Frazier | Lodge | Taft | |

NOT VOTING—18

| | | | |
|---|---|---|---|
| Bailey | Johnson, Calif. | Nye | Thomas, Okla. |
| Bone | King | Overton | Tobey |
| Bridges | Lundeen | Pittman | Truman |
| Byrd | Miller | Radcliffe | |
| Chavez | Murray | Slattery | |

So Mr. PEPPER's amendment to the committee amendment was rejected.

Mr. BANKHEAD, Mr. DANAHER, and Mr. THOMAS of Utah addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. BANKHEAD. Mr. President, yesterday the Senate voted on an amendment which I proposed limiting contributions in campaigns to $1,000. It voted the amendment down. It is possible there may be some Members of the Senate who believe that excessive contributions constitute a pernicious political practice but feel that $1,000 is too small a limitation. I now offer an amendment exactly the same as the one voted on yesterday, except the limitation is $5,000 to any one contributor.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 7, after line 18, it is proposed to insert the following:

SEC. —. (a) Excessive financial aid to any candidate for an elective Federal office is a pernicious political activity and is hereby declared to be illegal.

(b) Excessive financial aid to any political committee or political organization engaged in furthering, advancing, or advocating the election of any candidate or political party nominee for a Federal office, or any committee engaged in furthering, advancing, or advocating the success of any national political party is a pernicious political activity, and is hereby declared to be illegal.

(c) Presidential electors and the President of the United States for the purpose of this act are declared to be elective officers.

(d) Any amount expended, contributed, furnished, or advanced by one person, directly or indirectly, in excess of $5,000 is hereby declared to be excessive financial aid.

(e) Any person who directly or indirectly contributes more than $5,000 during any calendar year or for use in any one campaign or election in violation of the provisions of this section is guilty of pernicious political activity and on conviction shall be fined not less than $5,000 and also sentenced to the penitentiary for not exceeding 5 years.

Mr. BANKHEAD. Mr. President, I do not care to make any further remarks on the principle involved in this amendment. I ask for the yeas and nays on it.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Alabama [Mr. BANKHEAD], on which the yeas and nays are demanded.

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. CLARK of Missouri. My colleague the Senator from Missouri [Mr. TRUMAN] is unavoidably detained on important public business. If present, he would vote "nay."

Mr. THOMAS of Utah (after having voted in the affirmative). I have a general pair with the senior Senator from New Hampshire [Mr. BRIDGES]. I have been informed that I can transfer that pair to the senior Senator from North Carolina [Mr. BAILEY], which I do, and permit my vote to stand.

Mr. MINTON. I announce that the Senator from Washington [Mr. BONE] and the Senator from Utah [Mr. KING] are absent from the Senate because of illness.

The Senator from Virginia [Mr. BYRD], the Senator from Maryland [Mr. RADCLIFFE], the Senator from North Carolina [Mr. BAILEY], and the Senator from Illinois [Mr. SLATTERY] are detained on important public business.

The Senator from Connecticut [Mr. MALONEY], the Senator from Arkansas [Mr. MILLER], the Senators from Oklahoma [Mr. LEE and Mr. THOMAS], the Senator from Ohio [Mr. DONAHEY], and the Senator from Nevada [Mr. PITTMAN] are absent on departmental business.

The Senator from Louisiana [Mr. OVERTON] is unavoidably detained.

I am advised that if present and voting the Senator from Oklahoma [Mr. LEE] and the Senator from Connecticut [Mr. MALONEY] would vote "yea."

The Senator from Virginia [Mr. BYRD] is paired with the Senator from Missouri [Mr. TRUMAN]. The Senator from Nevada [Mr. PITTMAN] is paired with the Senator from Louisiana [Mr. OVERTON]. I am advised that if present and voting the Senator from Virginia and the Senator from Nevada would vote "yea" and that the Senator from Missouri and the Senator from Louisiana would vote "nay."

Mr. AUSTIN. Mr. President, I announce that on this question the Senator from New Hampshire [Mr. TOBEY] is paired with the Senator from Illinois [Mr. SLATTERY]. If the Senator from New Hampshire were present, he would vote "nay," and I am informed the Senator from Illinois would vote "yea."

The Senator from California [Mr. JOHNSON] is paired with the Senator from Utah [Mr. KING]. If the Senator from California were present, he would vote "nay," and I understand the Senator from Utah [Mr. KING] would vote "yea."

The Senator from North Dakota [Mr. NYE] is paired with the Senator from Arkansas [Mr. MILLER]. If the Senator from North Dakota were present, he would vote "nay," and the Senator from Arkansas would vote "yea."

The result was announced—yeas 40, nays 38, as follows:

YEAS—40

| | | | |
|---|---|---|---|
| Adams | Clark, Idaho | Hughes | Pepper |
| Andrews | Connally | Johnson, Colo. | Russell |
| Ashurst | Ellender | La Follette | Schwellenbach |
| Bankhead | Frazier | Lucas | Shipstead |
| Bilbo | Glass | Lundeen | Smathers |
| Brown | Guffey | McKellar | Smith |
| Bulow | Harrison | Minton | Stewart |
| Byrnes | Hayden | Murray | Thomas, Utah |
| Caraway | Herring | Neely | Tydings |
| Chavez | Hill | O'Mahoney | Wheeler |

NAYS—38

| | | | |
|---|---|---|---|
| Austin | George | Lodge | Thomas, Idaho |
| Barbour | Gerry | McCarran | Townsend |
| Barkley | Gibson | McNary | Vandenberg |
| Burke | Gillette | Mead | Van Nuys |
| Capper | Green | Norris | Wagner |
| Chandler | Gurney | Reed | Walsh |
| Clark, Mo. | Hale | Reynolds | White |
| Danaher | Hatch | Schwartz | Wiley |
| Davis | Holman | Sheppard | |
| Downey | Holt | Taft | |

NOT VOTING—18

| | | | |
|---|---|---|---|
| Bailey | Johnson, Calif. | Nye | Thomas, Okla. |
| Bone | King | Overton | Tobey |
| Bridges | Lee | Pittman | Truman |
| Byrd | Maloney | Radcliffe | |
| Donahey | Miller | Slattery | |

So Mr. BANKHEAD's amendment was agreed to.

Mr. BANKHEAD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. McKELLAR and Mr. BROWN. I move to lay that motion on the table.

Mr. CLARK of Missouri. I ask for the yeas and nays on the motion to lay on the table.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on the motion to lay on the table the motion of the Senator from Alabama to reconsider the amendment just adopted. On that question the yeas and nays have been demanded and ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. THOMAS of Utah (when his name was called). I have a pair with the senior Senator from New Hampshire [Mr. BRIDGES]. I transfer that pair to the senior Senator from Arkansas [Mrs. CARAWAY], and will vote. I vote "yea."

Mr. CLARK of Missouri (when Mr. TRUMAN's name was called). My colleague the Senator from Missouri [Mr. TRUMAN] is unavoidably detained from the Senate. If present, he would vote "nay."

The roll call was concluded.

Mr. MINTON. I announce that the Senator from Washington [Mr. BONE] and the Senator from Utah [Mr. KING] are absent from the Senate because of illness.

The Senator from Virginia [Mr. BYRD], the Senator from Maryland [Mr. RADCLIFFE], and the Senator from Illinois [Mr. SLATTERY] are detained on important public business.

The Senator from Connecticut [Mr. MALONEY], the Senators from Arkansas [Mrs. CARAWAY and Mr. MILLER], the Senators from Oklahoma [Mr. LEE and Mr. THOMAS], and the Senator from Nevada [Mr. PITTMAN] are absent on departmental business.

The Senator from Louisiana [Mr. OVERTON] is unavoidably detained.

I am advised that if present and voting the Senator from Oklahoma [Mr. LEE], the Senator from Arkansas [Mrs. CARAWAY], and the Senator from Connecticut [Mr. MALONEY] would vote "yea."

The Senator from Virginia [Mr. BYRD] is paired with the Senator from Missouri [Mr. TRUMAN]. The Senator from Nevada [Mr. PITTMAN] is paired with the Senator from Louisiana [Mr. OVERTON]. I am advised that if present and voting the Senator from Virginia and the Senator from Nevada would vote "yea" and that the Senator from Missouri and the Senator from Louisiana would vote "nay."

Mr. AUSTIN. I announce the following pairs on this question:

The Senator from New Hampshire [Mr. TOBEY] with the Senator from Illinois [Mr. SLATTERY]. If present, the Senator from New Hampshire would vote "nay," and the Senator from Illinois would vote "yea."

The Senator from California [Mr. JOHNSON] with the Senator from Utah [Mr. KING]. If present, the Senator from California would vote "nay," and the Senator from Utah would vote "yea."

The Senator from North Dakota [Mr. NYE] with the Senator from Arkansas [Mr. MILLER]. If present, the Senator from North Dakota would vote "nay," and the Senator from Arkansas would vote "yea."

The result was announced—yeas 41, nays 38, as follows:

YEAS—41

| | | | |
|---|---|---|---|
| Andrews | Donahey | La Follette | Schwellenbach |
| Ashurst | Ellender | Lucas | Shipstead |
| Bailey | Frazier | Lundeen | Smathers |
| Bankhead | Glass | McKellar | Smith |
| Bilbo | Guffey | Minton | Stewart |
| Brown | Harrison | Murray | Thomas, Utah |
| Bulow | Hayden | Neely | Tydings |
| Byrnes | Herring | O'Mahoney | Wheeler |
| Chavez | Hill | Pepper | |
| Clark, Idaho | Hughes | Russell | |
| Connally | Johnson, Colo. | Schwartz | |

NAYS—38

| | | | |
|---|---|---|---|
| Adams | Downey | Holt | Thomas, Idaho |
| Austin | George | Lodge | Townsend |
| Barbour | Gerry | McCarran | Vandenberg |
| Barkley | Gibson | McNary | Van Nuys |
| Burke | Gillette | Mead | Wagner |
| Capper | Green | Norris | Walsh |
| Chandler | Gurney | Reed | White |
| Clark, Mo. | Hale | Reynolds | Wiley |
| Danaher | Hatch | Sheppard | |
| Davis | Holman | Taft | |

NOT VOTING—17

| | | | |
|---|---|---|---|
| Bone | King | Overton | Tobey |
| Bridges | Lee | Pittman | Truman |
| Byrd | Maloney | Radcliffe | |
| Caraway | Miller | Slattery | |
| Johnson, Calif. | Nye | Thomas, Okla. | |

So Mr. BANKHEAD's motion to reconsider was laid on the table.

Mr. THOMAS of Utah. Mr. President, since the Chair has ruled that an addition to the committee amendment is now in order, as was ruled in the case of the Bankhead amendment, I ask that the amendment which I offer and send to the desk be stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Utah will be stated.

The CHIEF CLERK. On page 7, after line 18, it is proposed to insert the following:

(a) Hereafter no person shall be appointed to any position or employed in the executive branch of the Federal Government, or in any agency or department thereof, if, during the 2-year period immediately preceding such appointment or employment, such person has taken an active part in political management or in a political campaign for the purpose of affecting the election or the nomination of any candidate for the office of President, Vice President, Presidential elector, Member of the Senate, Member of the House of Representatives, or Delegate or Resident Commissioner from any Territory or insular possession.

(b) The provisions of this section shall not apply to persons appointed to the Cabinet or to persons appointed to the office of Ambassador or other public minister.

Mr. THOMAS of Utah. Mr. President, the theory of the Hatch Act and also the Hatch bill which is now involved is the theory which puts restraints upon the officeholder. My amendment would put the same restraints which are upon officeholders also upon potential officeholders. In other words, as the Hatch Act and the Hatch bill deal with actuals, my amendment deals with potentials.

The bill now before the Senate has been described by its protagonists and by newspapers supporting it as a "pure politics bill." The opponents maintain that a more accurate description might be "the purely politics bill," or "the purely Republican politics bill."

The noble purpose of the bill in theory may in practice become strictly partisan. This is demonstrated by the unanimous support given the measure by the minority Members of this body despite the fact that their party held control of Federal affairs for many years and never even attempted to put a sweeping enactment of this kind on the statute books. In fact, down through the years, the desire of the Republican Party for clean politics has been mostly conspicuous by its absence.

Of course, every boy who reads the history of the political parties in America has long ago quite glibly termed "the Republican Party, a party of expediency," one always willing to change its stand in regard to anything in order to accomplish its purposes. It is therefore even marked down in the textbooks as a "party of expediency." On the other hand, the Democratic Party has stood as a party of principle. It has faced defeat, terrific defeat, but because its feet were well grounded upon principle, never once in the history of the country has it come to the point of being completely shattered. In 1932 the Republican Party was almost completely shattered. In 1936 it received another stinging blow. Judging from the splendid way in which the unanimous vote of the Republican Members of this body has been cast to sustain the Hatch amendment in favor of pure politics, one cannot help believing that as a result of these two stinging defeats a reformation has set in, and that the party today actually stands sincerely in favor of clean politics, as it boasts.

Mr. President, I grant them all of that. I could grant them even more, and in order that they may sustain their position before the country I am offering this amendment, so that they can sincerely vote for clean politics even when it applies to a Republican. That, in a nutshell, is the reason for the amendment.

We are all cognizant of the fact that every effort made in this body to restrict or to control the use of vast sums of money from private sources to swing elections has been stubbornly fought by Republican leadership. The last vote shows that I am probably mistaken in the deduction which I made a moment or two ago, because unanimously again we find them voting against the restriction of big donations, even though every Member of this body realizes that there is no greater evil and no greater danger to the American system of free elections. When the Republican leaders have yielded on the question of controlling the money power in primaries and elections, they have done so stubbornly and grudgingly.

So it should be realized at the outset that this legislation is concerned with a comparatively minor part of the broad question of clean elections, while the major evil is left untouched and unchecked. On several occasions the Senate has found it necessary to bar duly elected Members from taking their seats here because of the corrupt and scandalous use of money in elections. This has happened on two occasions in comparatively recent times, and in each case the offender was a Republican. And it is interesting to note that on each occasion the bulk of his party members stood loyally by and tried to have him seated, despite the taint on his election credentials.

With this in mind, it is easy to understand why we question the zeal of the minority party leaders in their unanimous support of the pending legislation. Their course of action lends color and substance to the belief that they are not interested in clean government so much as they are in the patent fact that, if enacted, this legislation will give them a strong partisan advantage in the coming Presidential election.

I realize the temper of this body, and I realize the fact that many Senators are supporting the pending amendment to the Hatch Act from the highest of motives. We who are doing this sincerely believe that its enactment will tend to rub out grave abuses in the elective system. With those holding this purpose I have no quarrel.

Yet I wish to point out that in its present form the proposed legislation will work a grave hardship on the party in power and confer a corresponding advantage on the minority party. For that reason I have offered an amendment to correct that situation, which reads as follows:

SEC. —. (a) Hereafter no person shall be appointed to any position or employed in the executive branch of the Federal Government, or in any agency or department thereof, if, during the 2-year period immediately preceding such appointment or employment, such person has taken an active part in political management or in a political campaign for the purpose of affecting the election or the nomination of any candidate for the office of President, Vice President, Presidential elector, Member of the Senate, Member of the House of Representatives, or Delegate or Resident Commissioner from any Territory or insular possession.

(b) The provisions of this section shall not apply to persons appointed to the Cabinet or to persons appointed to the office of Ambassador, public minister, or consul.

The intent of the original Hatch Act and the pending amendment was to bar subordinate employees who might be receiving all or part of their income from Federal sources from participating in Federal elections or engaging in political activities of any kind. I think this should be the law. I have supported the act up to the present time, and I will, of course, vote for the amendment to the act. There is no disputing the fact that persons in power have natural advantages, and those advantages must be restrained if they are improperly used.

I had the opportunity of witnessing the second great "Ja" election in Germany, the election of 1934, which was almost unanimous in sustaining the action of the German leader. The party in power had complete control of all the activities of government. There was not a railway engine, there was not a streetcar, there was not a post-office truck which did not carry a banner, "Vote 'Ja' in this election." Every instrument of government was used to bring about the almost unanimous result.

When the Senator from New Mexico realized that American democracy might be destroyed whenever the zealots in power attempted to coerce or to use their power in an improper manner he was on the right track, and he should be sustained by every Member of this body, and I believe he will be sustained on the final vote when it is taken.

The two-party system must be maintained at all hazards or democracy will cease to exist. It is because of my respect for the two-party system, it is because of my respect for the Republicans on the other side who also have respect for the two-party system, that I realize that when it comes to this amendment they are going to be fair. They should be fair, or they will stand forever in the position of having to face the

charge which has already been made, that instead of this being a "pure-politics bill," it is a "purely Republican-politics" bill. By their votes you shall know them, Mr. President, and I am looking forward to the vote which the Senators on the other side will cast in this particular.

Members of Congress and policy-making officials of the Government are exempt from its provisions, although it may be questioned, as has already been said so many times, whether they are not in a position to wield a more unhealthy influence upon elections than some mere department clerk or stenographer who has relatively little influence and no way of imposing his beliefs and opinions upon others.

The theoretical purpose of the act is to prevent those holding Government positions from perpetuating themselves in office by their own activities. The difficulty is that, like so many other experiments noble in purpose, it is too sweeping in its provisions and actually embodies a degree of injustice which should never be tolerated.

In the first place, it gives the impression that a stigma might be attached to the young man or the young woman who secures Government employment. The bill actually prohibits pernicious activities, such as the use of official position for political purposes. In practice it may go far beyond that, and there, Mr. President, is its striking danger. If, for example, men take advantage when there is no restriction, will such men be curbed by a mere restriction when the restriction is entirely one-sided?

The act as it will stand when amended may be administered unwisely and it may therefore forbid even the most innocent kind of participation in political organization. Everyone knows that advice which is given about political activity is generally taken in stronger degree than it is given. Young officeholders are barred from giving public expression to their belief, or from taking part in political clubs, even if they confine their activity to a time outside their office hours. No one wants to interfere with such innocent activity, yet a faulty administration may prohibit it.

I imagine that every Member of the Senate on occasion has appeared before a gathering of young folks and earnestly and sincerely besought them to take an active part in public life. It is universally recognized that the wide participation of able and honest young people in politics is one of the healthiest things that can happen in a democracy. But most of the young people in this country are not financially independent. They are not in a position to carry on their interest in public affairs as a polite and interesting avocation.

We advise them to participate in public affairs and yet when they take that advice, we pass legislation which, if improperly administered, in effect may take away some of their most precious rights as citizens. The cure may be too sweeping for the alleged evil which it seeks to correct. The persons affected by the pending legislation are not in the same category as civil-service employees. They are not given the protection of the civil-service law; they are not assured of continued employment in the event of a change of administration. Their tenure of office is dependent upon the success of the party to which they belong, a fact which every fair-minded person recognizes.

Every Member of the Senate has been in politics for the greater part of a lifetime. Many Senators started by holding minor positions in the Government service, positions that now come under the ban of the Hatch Act. There was nothing to prevent them from devoting their time and enthusiasm to political activities, and no one would assert that they are unworthy of membership in this body because they took advantage of such an opportunity.

I am at a loss to know how we are going to develop a class of responsible and capable people, with the necessary knowledge and experience of government, if we propose to discourage young people from entering public life. And despite whatever protests may be made, that is exactly what this legislation may do if administered in an ill way. Still legislation is necessary to correct abuses and, therefore, one finds himself wondering where the degree of restraint should be placed. The author of the bill has been very wise, and those who have sustained him with their votes have been very wise, to limit the provisions of the bill to activities on the part of certain definitely described persons and to certain definite evils. Those who have voted against amendments which would broaden the provisions of the measure to make it comparable to an ordinary corrupt-practices act fail to realize that to accomplish a little now and a little some other time is the way in which to bring about great reforms in this land. Therefore I believe, as I said Saturday, that those who have voted against amendments directed against truly greater pernicious political activities than those proscribed in the law have been inconsistent in their votes.

However, I should like to return to my proposition that the original act and the pending bill will give a tremendous partisan advantage to the minority party, who constitute the outs. Every practical person knows the amount of drudgery and routine work connected with a national election. The task of carrying a campaign to every voting citizen in the land as it should be done in a democracy is not a simple matter. There is small reward for the labor involved and the task never could be accomplished without the tireless support of thousands of loyal workers in the ranks. The party in power has natural advantages, and if we are to be fair, those advantages should be restrained.

The pending legislation, however, forbids a person from participating in any manner if he happens to hold even the most inconsequential Federal position. But, I ask again, why put the penalty merely upon one side? I repeat that in its administration it may do more harm than good if it is allowed to remain one-sided in its nature. There is no limitation at all on those who engage in campaign activities precisely because they wish to obtain a Federal job.

Mr. President, I dislike very much to repeat, and I trust in my remarks of today I have not repeated anything I said Saturday, but I cannot refrain from calling attention to President Grover Cleveland's inaugural address, when the beginning of political reform was in the mind of all our people and when Cleveland actually was elected because he supported the idea of reform. Cleveland realized and understood that pernicious political activity could be indulged in on both sides, and in his inaugural address he condemned quite as much the dishonest and pernicious and wicked activity on the part of those hungry for jobs as on the part of those trying to keep their jobs.

I may suggest a simple illustration. If we curb the activities of a United States district attorney in attempting to protect himself in his job, should we not put some kind of restraining influence upon the person who is trying to get his job? The restraint under this amendment is a simple one. It is merely a cooling-off process. It really says that the person who is a would-be officeholder shall wait 2 years if he has taken part in pernicious political activity before he may be appointed to the office in question. Under the bill, an officeholder is barred from activity on the theory that he might do something which would help him retain his position, while the individual on the outside, who has no other motive than the desire to get an office, may participate to his heart's desire.

Mr. President, unless we make the legislation double-barreled, unless we restrict the potential as well as the actual, an exceedingly interesting conflict may arise. For example, since today the National Government is in Democratic control, and we are making our argument entirely on the basis of good government, and not on the basis of politics; since the administrators of the various acts that call for cooperative action on the part of the State and the Nation are all of Democratic persuasion; since, therefore, the money which reaches the officeholder in theory comes through Democratic channels, what will happen in a State where Democratic officeholders, who were Democratic in the beginning, have been able to keep their jobs, when a Republican administration comes in, and the Federal Government and an honest State government, attempting to emulate the ideas of civil service and to prevent the evils of the spoils system, leave those persons in their jobs? Suppose the Governor, who is responsible for the actions of his subordinates, and his subordinates are in conflict with the party in power. There is a confusion there that can be removed only by making the

restrictions applying to civil-service employees apply also to those having non-civil-service status. Make the act apply to Democrats and Republicans alike. Make it apply to actual and potential employees alike.

I have offered this amendment in an attempt to correct this manifest injustice. If the Congress intends to limit the political activities of one class of voters, it should, in all fairness, extend the same limitations to all classes. The amendment specifically states that an individual who has participated in election activities is barred for 2 years from appointment to the executive branch of the Government, or any of the departments or agencies. The amendment, of course, exempts the Cabinet and the diplomatic corps.

This amendment is in keeping with the spirit of the Hatch Act. Obviously, if we intend, by legislation, to purify the motives of those who play a part in public life, we should be consistent and apply the same test to all on an equal basis.

Mr. President, in the States which have corrupt-practice acts, the laws which govern corrupt practices restrain the activities of individuals, not the activities of Democrats or the activities of Republicans. Can we not make this act one which will actually restrain the activities of individuals instead of restraining the activities of a political party? It is obviously unfair to impose restrictions on one group and withhold them from another.

Unless my amendment is included, there is no question that the pending legislation will work a heavy injustice on the majority party. It will be hindered and handicapped while the minority party will be free to use the full corps of prospective officeholders as an integral part of its campaign machinery. Spokesmen for the opposition party have made no secret of their intention to throw out the bulk of the present non-civil-service employees in the event of their return to power. In fact, they have made this one of their outstanding campaign boasts. They have been unable to make use of the phrase "turn the rascals out" because corruption has not been a characteristic trait of the present administration. Likewise, the phrase has too many unhappy connotations for good Republican usage. But they have heralded to the world their intention to turn out the "dreamers and the visionaries," a broad term which they use to cover all those who believe that modern problems are worth some time and attention.

My amendment, then, is really a test of good faith. It is designed to reveal whether we propose to legislate against all those who take part in politics with the hope of securing employment, or only those who happen to belong to one political party. It is expected that thousands of eager hopefuls will be ranging the countryside this summer and fall pleading the cause of the minority party, and incidentally keeping a weather eye cocked for a good juicy plum for themselves. They will be indulging in politics up to the hilt, and engaging in all kinds of activities which are forbidden to present officeholders under the terms of the Hatch bill. The distinction between these two classes is too small for the normal eye and much too small for a moral eye. If the political rights of one group are to be circumscribed, then surely the same ban should apply to the other group.

I have an instinctive aversion to the restriction of political liberties, no matter under what patriotic guise it may be cloaked. No objection may be raised to the desire of those who wish to curb pernicious activities of the kind which every thoughtful citizen deplores. The practice of officeholders using their official position to influence elections is universally condemned. But the pending legislation may go far beyond any such purpose; and there is no doubt in my mind that it imposes curbs and limitations that may arise at some future time to plague Members of the Congress. We are all aware of the fact that serious proposals have been advanced in many States to take the franchise away from those unfortunates who are dependent on relief funds or W. P. A. jobs for their subsistence. Perhaps it is more than a coincidence that the arguments advanced in favor of such legislation are precisely those used in support of the pending legislation. It is a dangerous tendency, and I have no wish to give it open or even tacit support. This we might do unless we make the legislation fair and cause it to apply to the "outs" as well as the "ins."

In any event, the pending legislation as it stands is one-sided. If we are to do the job, let us be honest and go the whole way. Any Senator who honestly believes in the principle of the Hatch bill should be ready and willing to support the amendment which I have proposed. The office seeker certainly should not be given an advantage over the officeholder. What is fair for one is fair for the other.

As the law now stands, there is no ban on the right or the advantage taken by one who is out to speak or write or engage in any form of activity he sees fit, even though it be understood that he may have a large stake in the outcome of the election. The humble officeholder, however, is barred from any real political activity. If it is too much to expect that they should be made equal before the law, at least we might be able to correct a part of the injustice by putting the officeholder and the office seeker on the same footing. That is what my amendment proposes to do.

Mr. ASHURST obtained the floor.

Mr. HATCH. Mr. President, will the Senator yield to me for the purpose of suggesting the absence of a quorum?

Mr. ASHURST. Will the Senator please withhold the quorum call?

Mr. President, I listened with interest, as I always do, to the remarks of the able junior Senator from Utah [Mr. THOMAS]. If I caught his amendment aright, it would render any person ineligible to appointment to office in any position in any executive branch of the Federal Government, or in any agency or department thereof, if during the 2-year period immediately preceding such appointment or employment such person had taken an active part in political management or in a political campaign.

Mr. President, subsection (b) of the amendment of the able Senator exempts persons appointed to the Cabinet or persons appointed to the office of ambassador or other public minister. I do not perceive why the amendment should make any distinction. I do not see why we should render a person ineligible to one office but not to another. The amendment is retroactive. It is not ex post facto, in the sense of the law, but it is retroactive; and, strange as it may seem, retroactive laws are not unconstitutional as such.

Mr. President, I move to strike out subsection (b) of the amendment of the able Senator, so that if the amendment should be adopted and become law it would apply to persons who seek to become Cabinet members or heads of departments. It would also apply to persons who seek the office of ambassador or other public minister.

Mr. President, some of the largest contributions that have been made to political campaign chests have been made by men who sought—and sometimes were appointed to—the office of ambassador or other public minister. Until lately it was almost impossible for a citizen to aspire to the honor of serving his country as ambassador unless, forsooth, he had a large fortune and had contributed no small part of that fortune to the campaign chest of the successful party.

Mr. President, I do not perceive any reason why the law should not apply to members of the Cabinet if it is to apply to other aspirants to office. Unless one makes a careful study of the powers which attend the office of a Cabinet minister, it is impossible to imagine or believe that it has such tremendous power. Yet under the amendment of the able Senator we are exempting from the provisions of this section, in haec verba, persons who may aspire to the Cabinet or to the office of ambassador or other public minister.

Mr. THOMAS of Utah. Mr. President, will the Senator yield?

Mr. ASHURST. Certainly.

Mr. THOMAS of Utah. I wonder if the Senator has been thoughtful about the fact that the amendment which I suggested is an amendment to the Hatch Act and also an amendment to the Hatch bill, and that under the Hatch Act the President, of course, is exempt? Therefore, the amendment should be consistent with the act itself.

Mr. ASHURST. The Senator knows how little use I have for any action which is apologized for or argued for upon the mere ground of consistency, because I believe consistency to be public enemy No. 1. [Laughter.]

I am arguing the amendment of the able Senator from its own four corners. When I say "able" I do not use that word as a mere gesture in replying to the remarks of the junior Senator from Utah. I am sincere when I say "able." He is, in my judgment, one of the philosophers of the Senate as well as one of its scholars, and he must excuse me if I address myself to his amendment as he has presented it.

I am not interested, so far as this speech is concerned, with what the other provisions of the Hatch Act may be or what the other provisions of the amendments to what is known as the Hatch bill may be. I am arguing simply as to this particular amendment.

In the first place, Mr. President, in the past 7 years we in the Senate and in all other places in America have been under tremendous excitement. We have reasoned from nonexistent premises, and we have reached such conclusion as is always reached by reasoning from nonexistent premises. We have—and I am as much to blame for this as is any other individual Senator—passed law after law without even a gesture toward syntax or accuracy in using words. That has caused great trouble to the courts. We can save the courts much trouble and save citizens much trouble if we define words or use words with the connotation of their actual meaning.

For example, consider the word "active." If this bill becomes a law, it will probably go to the courts when somebody is accused of an active interest in politics. Very well; consult any dictionary. "Active" is an antonym of and the opposite of dormant or quiescent or extinct. "Active" means quick in physical movement, not dormant, not quiescent, not extinct.

The word "perniciously" does not appear before the adjective "active" in the able Senator's amendment. If the Senator had written it "perniciously active part," he would have thrown more light on the meaning, but still the courts would be driven to explore the definition of "perniciously."

Pernicious has—and if I am in error the able Senator will correct me—a Latin root, probably the word "nex," "necis," death, destruction, and with the prefix "per"—through—meaning through or leading to ruin, to death; so that a pernicious action would be one that would cause death or some malign or malignant influence or result.

Pernicious is legitimate locution. It has been used correctly, in my judgment, by the author of the legislation. But there is quite a difference between being "perniciously active in politics" and "active in politics."

I move to strike out the word "an" and insert the words "a perniciously", in line 6 before the adjective "active"; I think this would strengthen his amendment.

Mr. President, this bill, if it becomes law, is going to be a subject of a great deal of dispute among our fellow citizens and in the courts. I believe it would popularize the measure in the Senate and in the other branch of Congress if we struck from the amendment of the able Senator that provision which exempts persons appointed to positions in the Cabinet. In fact, Mr. President, one of the most active men in politics I ever knew—and I do not say that he took an improper activity—was appointed Attorney General some years ago in a previous administration. I know of instances, in my own party as well as in other political parties, of men who were perniciously active in politics being appointed to Cabinet positions. I know of instances of men who made enormously large contributions to their party's campaign chests being appointed ambassadors and foreign ministers, though in the most remote excursion of the imagination they would never have been considered for appointment had they not made enormous contributions or been thus perniciously active in politics.

Now we are treading on, I do not say dangerous ground, but we are treading on ground concerning which many people, as good as Senators are—and we are pretty good, or we think we are—doubt the wisdom.

I am a supporter of this Hatch bill; I voted for the Hatch bill which became a law, I am supporting the pending bill, and I think the able Senator from New Mexico, with a persistency, calmness, and a courage that well becomes any man, has driven forward in presenting and advocating his bill.

This bill will fail if it shall be loaded down with many more amendments such as subsection (b) of the amendment of the able Senator from Utah.

Therefore, Mr. President, at the proper time I shall move to strike from the amendment of the able Senator, section (b), so that if it shall become law a man will not be qualified or eligible for a Cabinet position or for the position of ambassador or other public minister if he comes within the purview of the law.

Mr. BROWN. Mr. President, will the Senator yield?

Mr. ASHURST. Certainly I yield to the able Senator from Michigan.

Mr. BROWN. The Senator has based his entire argument, I judge, from some of the facts he has adduced, on the assumption that a contribution of money to a political campaign fund of the appointing official is prohibited by this section.

I wish to say to the Senator that, under the statements of law the Senator from New Mexico has repeatedly made here, contribution of funds by a gentleman who wanted to be ambassador, we will say, to Belgium or Russia, or any other place, would not make him ineligible for appointment under the provisions of the Thomas amendment. I think the Senator should modify his proposal, in line 7, by adding language to this effect, so that the sentence would read:

> Such person has taken an active part in political management or in a political campaign or made any contribution to a fund for the purpose of affecting the election or nomination of any candidate—

And so forth. Unless that language shall be inserted a man could make a contribution in any amount within the limits the Senate has established this morning and not be subject to the prohibition of the amendment at all.

Mr. ASHURST. All that the able Senator from Michigan has said is true. I probably violated a rule of argument when I went off on an unreturning parabola and began to discuss campaign contributions. I should have confined myself to the question of activity.

Mr. BROWN. Does not the Senator think we ought to include campaign contributions, and does the able Senator recommend that to the Senator from Utah?

Mr. ASHURST. I was going to say I had another amendment or two in mind, and the point the able Senator mentioned was in my mind, but I thought it best to offer the amendments one at a time. However, I am grateful to the able Senator from Michigan for his suggestion.

Mr. LUCAS. Mr. President, will the Senator yield for a question?

Mr. ASHURST. I yield to the able Senator from Illinois.

Mr. LUCAS. Did I correctly understand the able Senator to say that he did not think, under the Bankhead amendment, ambassadors would be precluded from being appointed? I understood the Senator from Arizona to say—I may be in error—that under the Bankhead amendment some ambassadors who have been, perhaps, contributing to campaign funds in sums of $35,000, $50,000, $75,000, and up to $100,000, because they could contribute now only $5,000, would probably become ineligible.

Mr. ASHURST. No; let me say to the able Senator I did not say that.

Mr. LUCAS. I so understood, and I apologize to the Senator.

Mr. ASHURST. No apology is necessary.

Mr. LUCAS. But that is the practical effect. If the money question is responsible for the appointment of ambassadors, the amendment of the Senator from Alabama providing that an individual may contribute not more than $5,000, I take it, will eliminate many ambassadors if they are appointed solely because they have made large campaign contributions.

Mr. ASHURST. The statement and the question of the able Senator from Illinois are pungent and proper, but it so happens that, so far as I remember—and I have a pleasant habit of not remembering what I say, because I am thus caused no trouble thereafter—but I do not recall that I said it. If the Senator will pardon me, I did say that it is within the knowledge of every man that for many years there have been appointed as ambassadors and other public ministers men who have made large contributions to their party campaign fund, and who, by even the most remote excursion of the imagination, would not have been considered for an appointment had it not been for their campaign contributions. That is about what I said.

Mr. LUCAS. I am glad the Senator repeats it, because we now understand one another perfectly.

Mr. THOMAS of Utah. Mr. President, I should like to speak to that amendment, if I may.

The argument which has been made in support of the amendment offered by the Senator from Arizona is, of course, an argument against the Hatch Act as it stands, not an argument against this amendment.

Mr. ASHURST. Mr. President, will the Senator yield?

Mr. THOMAS of Utah. Yes.

Mr. ASHURST. Why, and in what manner, does the Senator conceive that what I have said was an argument against the Hatch Act? I am not arguing against the Hatch Act. The Senator from Utah has not offered the Hatch Act as an amendment. He has offered an amendment, and I am moving to amend the Senator's amendment.

Mr. THOMAS of Utah. Mr. President, it is easy to explain. The Hatch Act exempts the President, the Vice President, and certain others. The wording of this amendment is the same as that of the Hatch Act, of course; and the purpose of my amendment is to put under equal bans the actual officeholder and the potential officeholder.

Mr. ASHURST. That is a very worthy thing, but—will the Senator yield?

Mr. THOMAS of Utah. I should like to explain this matter for half a second. But if, for instance, we are going to say that the actual officeholder shall be allowed to do certain things which the potential officeholder may not do, then, of course, the whole logic of all I have been saying in favor of my amendment goes completely out of the window, because I have tried to make the point that the Hatch Act, in its practice, operates against parties and not against individuals——

Mr. ASHURST. That is true.

Mr. THOMAS of Utah. And that if we do not put upon the office seeker a restriction like that which we put upon the officeholder, there is no equality at all in the act, and the act becomes merely the type of thing which controls the action of the party in power. I made that whole point because of the unanimous way in which all representatives of the party out of power have been voting against the amendments that are now being offered.

Mr. BROWN. Mr. President, will the Senator yield to me on that point?

Mr. THOMAS of Utah. I shall be glad to yield.

Mr. BROWN. I call the Senator's attention to the fact that section 2 of the bill, which is the prohibition against the use of official authority, applies to members of the Cabinet and to the heads of the executive departments, and I think the amendment of the Senator from Arizona is perfectly logical in line with that idea.

These men on the outside cannot have any official authority. All they can exercise is their general personal influence. The Senator is not trying to prohibit them from the use of their official authority, because they have not any official authority. They are out of office. They are not in office. The Senator is prohibiting the use of their personal, individual influence, not as officers but as persons.

So it seems to me that the amendment suggested by the Senator from Arizona is perfectly logical, certainly with respect to section 2, which prohibits the use by a Cabinet officer or an ambassador of his official authority to affect an election.

Mr. ASHURST. Mr. President, if I may interrupt the Senator, as I said before, the amendment of the able Senator from Utah is retroactive in its nature. It is not unconstitutional because of its retroactive feature. In other words, a retroactive law is not unconstitutional simply because it is retroactive. If it be an ex post facto law, it is unconstitutional; but in enacting laws which are retroactive, very great pains and much care should be employed. Do the other parts of the present bill have any retroactive features? Is there a 2-year retroactive feature to any other part of the pending bill?

Mr. THOMAS of Utah. Mr. President, surely the time element must come into any retroactive measure. It must be retroactive from some particular time. This bill, when it goes into force, cannot apply to the campaign of 1938. It will, of course, apply to the campaign of 1940.

Mr. ASHURST. True; quite so.

Mr. THOMAS of Utah. That merely means that the prospective officeholder, the would-be officeholder, the would-be appointee, must cool his feet for 2 years, and restrain himself to that extent; that is all. If he understands that he must do that, that will correct his pernicious political activity.

Mr. ASHURST. If the Senator will pardon me, I have one question which, with his kind permission, I will address to him, and also to the able Senator from New Mexico [Mr. HATCH]:

Does the provision for a 2-year retroactivity apply in any other part of the bill, or is this the first time that this provision has been used in an amendment? Is there any 2-year retroactivity in the so-called Hatch bill which we are now discussing?

Mr. THOMAS of Utah. I think not, because the Hatch bill as it stands is a prohibition against a particular class of persons. They must be officeholders. If they resign, the prohibition is not there.

Mr. ASHURST. Mr. President, as I say, I do not wish to smother the able Senator from Utah with compliments. He does not need them. We are going to have trouble with this bill in the courts. One judge is going to say that "active" means "quick." Another judge is going to say that "active" means "busy." Another judge is going to say that "active" means "physically quick." For years now—and I again bear my share of the blame, and as much more of the blame as any other Senator feels irksome to him—we have passed law after law without a gesture toward syntax. In many of the bills we have passed during the past 10 or 12 years we have reasoned from nonexistent premises and arrived at the usual conclusion which comes from reasoning from nonexistent premises.

Since this may be a penal statute, I suggest to the able Senator from Utah—and I look upon him as a man at whose feet I could sit and learn much—that he amend his own amendment on line 6 by saying "a perniciously active part." We know what "pernicious" is. That would strengthen the Senator's amendment. Then the amendment I have offered, to strike off section (b), could be added.

Mr. President, nobility does not reside with kings or courts. Nobility does not reside with Cabinet officers. Nobility resides with the individual. The Congress is generous toward members of the Cabinet, and it should be generous. Congress affords to Cabinet members any amount of clerical help which Cabinet members need, and we do right thereby. We should be justly subjected to a terrific flail of criticism if we were to pass an appropriation affording, forsooth, to each one of ourselves an automobile and a chauffeur at Government expense. No Senator would think of such a thing; yet we do supply automobiles to Cabinet members, and I have voted for it, and I am going to continue to do so. We allow them without let or hindrance to talk upon the radio at public expense. We allow them to frank out, as we should allow them to do, millions upon millions of pieces of literature at Government expense. I have voted for all that, and I bear my share of the blame if any there be. But now, Mr. President, are we to say to the boy in the purlieus of the city, to the boy on the farm in Kansas, to the cowboy on the ranch in Ari-

zona, to the fruit gatherer or the manganese miner in your State, Mr. President [Mr. JOHNSON of Colorado in the chair], "You may not be appointed to any office if within the past 2 years you have taken an active part—not 'a perniciously active part,' but 'an active part'—in politics. You must wait 2 years before that ban is removed. Elevate your sight, raise your ambition to Cabinet member, or the head of some other department, and you will not be ineligible." It does not seem fair; and I ask for a vote on my amendment to strike off section (b).

Mr. CONNALLY. Mr. President, will the Senator yield for a question?

Mr. ASHURST. Certainly.

Mr. CONNALLY. I am going to vote with the Senator; but under section (a) would not a great number of very high-class appointments which have been made in the past have been prevented? In other words, under this amendment a man who runs for Congress and is defeated could not be appointed to a Federal position.

Mr. ASHURST. That is true.

Mr. CONNALLY. Or, in the case of a Senator who in political combat gets lame in one leg, and becomes a "lame duck," no provision could be made for his retirement in comfort. [Laughter.]

Mr. ASHURST. That is true.

Mr. CONNALLY. It seems to me it is a very radical amendment.

Mr. ASHURST. That is true, Mr. President.

Mr. CONNALLY. The Senator is familiar as no other Senator in this body with the political history of the United States, and I am sure he will bear me out in saying that the political history of the United States has been studded and jeweled by examples such as those to which I have just called attention.

Mr. ASHURST. That is very true. If I may be pardoned for a breach of modesty for a moment, we might look to Arizona for some light on this subject. A Federal official in Arizona is by custom ineligible to be a delegate to a national convention. Never has there been a Senator from Arizona, never has there been a Representative from that State, who would presume to be a candidate for the office of delegate to a Democratic National Convention. The people say, "You will bear your burden if you do your full duty as a Senator or Representative." A marshal, a district attorney, a judge, a collector of customs, a collector of revenue, by custom will leave the question of delegate to a Democratic National Convention to persons who do not hold Federal office.

Again I say, I hope the able Senator from Utah, because I believe he wants to strengthen the Hatch bill, will strike out on line 6 the indefinite article "an," and insert "a" and the words "perniciously active." There will be no great difficulty on the part of the courts in defining the phrase "perniciously active." There is a vast difference between "activity" in politics and "pernicious activity" in politics. I believe it was none other than Grover Cleveland who first used the phrase "pernicious activity." Grover Cleveland never opposed any person being active in politics, but he did wisely and patriotically inveigh against pernicious activity on the part of any postmaster, if I remember correctly.

Mr. THOMAS of Utah. Mr. President, since the wording of this amendment is made consistent, of course, with the act as it now stands, and since the act as it now stands does use the adjective "pernicious," there can be no objection at all to the amendment of the Senator in regard to inserting in its proper place the adjective "pernicious"; that is, on line 6, as I take it.

Mr. ASHURST. Mr. President, if the Senator will pardon me, I ask him to strike out the indefinite article "an" on line 6 and insert "a," and the other adjective "perniciously," so that it will read "taking a perniciously active part," and so forth.

Mr. THOMAS of Utah. I am happy to accept the amendment.

Mr. ASHURST. I thank the Senator.

Mr. THOMAS of Utah. As to the other part of the amendment, the striking out of subdivision (b), I think I should say a word about that.

Mr. ADAMS. Mr. President——

The PRESIDING OFFICER (Mr. JOHNSON of Colorado in the chair). Does the Senator from Utah yield to the Senator from Colorado?

Mr. THOMAS of Utah. I yield.

Mr. ADAMS. Under the amendment which the Senator has accepted the second subdivision would exempt members of the Cabinet or Ambassadors who have been guilty of pernicious political activity.

Mr. ASHURST. Mr. President, if the Senator from Utah will yield, I regret that the able Senator from Colorado was not present when I made what, out of charity to myself, I will call a strong argument. Whenever I am aruging a matter, and I see the able Senator from Colorado listening, I feel encouraged and emboldened if and when I see him by some facial expression indicating approval, and I am rather taken aback when I see that he does not indicate approval. I value his judgment highly.

Mr. ADAMS. I approve the Senator's amendment to strike out the second subdivision.

Mr. ASHURST. Before the Senator came into the Chamber I had moved to strike out subdivision (b)——

Mr. ADAMS. It seems to me that the amendment which has just been accepted makes it absolutely imperative to accept the Senator's amendment.

Mr. ASHURST. Absolutely; in my judgment; but, even if the able Senator from Utah had not amended his own amendment, as he had the right to do—and I think he strengthened it—I nevertheless would press my amendment to strike out subdivision (b), because, forsooth I just do not have the face, I have not the nerve to go out into the country and say to a certain class of citizens, "You took an active part in politics in this country, and you therefore cannot apply for office for 2 years, unless you apply for appointment as Cabinet member or Ambassador or other public Minister.

Mr. CONNALLY. Mr. President, will the Senator from Arizona permit an interruption?

Mr. ASHURST. Certainly.

Mr. CONNALLY. If subdivision (b) had been stricken out, the Senator would have brought about a state of affairs which would have prohibited the appointment, for instance, of Mr. Justice Murphy to the Supreme Court, or of Mr. Murphy as Attorney General of the United States, because he was active in politics within 2 years before the appointment. I am sure the Senator does not want to go that far.

Mr. ASHURST. Oh, no; and I do not see the application of the remark of the able Senator.

Mr. CONNALLY. Mr. Murphy was appointed to the Cabinet.

Mr. ASHURST. Oh, the Senator means if this bill had been the law?

Mr. CONNALLY. Yes.

Mr. ASHURST. The Senator is correct.

Mr. CONNALLY. The Senator would have established a system which would have made impossible the utilization by the Federal Government of men of outstanding ability in cases of that kind.

Mr. ASHURST. Quite so.

Mr. CONNALLY. Notwithstanding that, I am somewhat in sympathy with the Senator's amendment.

Mr. THOMAS of Utah. Mr. President, I think I should repeat the reasons for the placing of subdivision (b) in the amendment. This amendment has to do only with prospective appointees; it does not have to do with officeholders. The Hatch law as it stands, and the amendment proposed to the Hatch law, with which we are dealing, have to do with actual officeholders and not with prospective officeholders. The amendment was written to be consistent with the Hatch Act. Of course, I realize that I accomplish all the purposes of the amendment without subdivision (b), but if the amendment is to be a proper amendment to the Hatch Act as it

stands—and we went to a good deal of trouble to see that it would be a proper amendment to the Hatch Act as it stands, and it is in harmony with the act—subdivision (b) seems necessary. But I have no objection if the Senate wishes to strike out subdivision (b).

Mr. HATCH. Mr. President, just a word on the amendment itself. I realize and appreciate how faithfully the Senator from Utah [Mr. THOMAS] has supported those of us who have been sponsoring the pending legislation. I should like very much to be able to agree to any amendment which the Senator from Utah would offer, because I would know that the mere fact that he offered it and sponsored the amendment was evidence, at least sufficient to me, to know that it was offered and sponsored in good faith and to strengthen the bill. I am sure that that is the purpose the Senator from Utah has in mind.

I cannot agree, however, that the amendment should be adopted. I appreciate full well the problem the Senator is seeking to approach and understand the fine reasons which are behind the offering of the amendment. But I think that for practical purposes and considerations the amendment goes so far as that it would be almost certain to defeat the bill we are now discussing if it were adopted. But I wish to repeat that I am certain the Senator from Utah has no such purpose in mind, and if he thought it would have such a result he would withdraw the amendment. I believe and I hope, Mr. President, that this particular amendment will be defeated.

Mr. ASHURST obtained the floor.

Mr. SCHWELLENBACH. Mr. President, will the Senator yield so that I may ask the Senator from New Mexico a question?

Mr. ASHURST. I yield for that purpose.

Mr. SCHWELLENBACH. My understanding is that the amendment has been amended so as to insert the word "pernicious."

Mr. HATCH. That is correct.

Mr. SCHWELLENBACH. The Senator from Arizona has assured us that that is a word which the courts understand and which they have defined.

Mr. ASHURST. Let me say to the able Senator from Washington that the courts would have some difficulty in defining what is meant by "active" in politics, but they would have less difficulty in defining what was "perniciously active." I think that is what I stated. The courts would have far less difficulty in defining what is "perniciously active." I do not think I said, and I doubt, that they have actually defined "pernicious activity." That phrase has been defined by department heads and was defined by a President many years ago, but I do not recall for the moment any Federal court defining the phrase "pernicious activity."

Mr. SCHWELLENBACH. Would not the ordinary citizen on the street have more difficulty in defining "pernicious activity" than "activity"?

Mr. ASHURST. That might be true, but do we wish to prohibit activity? That is a serious question. I think we should prohibit pernicious activity. As I stated before, the word "pernicious" is known to everyone in the Senate. We know from what stock, from what root, it is derived. We know it means "ruinous, malignant, bad." It is really a synonym for "bad." I do not think we would have any difficulty with the phrase "perniciously active," but we might have considerable difficulty if we just leave it "active."

Mr. SCHWELLENBACH. Would not the Senator agree that to the average citizen on the street the word "pernicious" is much more difficult of definition than the word "active"?

Mr. ASHURST. That is true; but when one says "Mr. Jones has pernicious anemia," we know it means anemia that is pernicious; something that is bad. I think those who are familiar with the sources of the English language will generally concede that when we use the phrase "pernicious activity" it means an activity which in good morals is a bad activity.

The word "pernicious" is defined as "having the quality of injuring or killing; destructive; fatal; ruinous; very mischievous," as "pernicious to health."

Pernicious activity in politics would be an activity that was bad for health and morals, bad for the health of the country, bad as opposed to good.

I still insist, with due deference to the able Senator from Washington, that if this amendment is to become law "perniciously" should appear before the word "active," because I do not want to vote to prohibit activity.

Mr. SCHWELLENBACH. Mr. President, will the Senator yield further?

Mr. ASHURST. I yield.

Mr. SCHWELLENBACH. The Senator will agree, will he not, that if, as a result of the passage of the pending Hatch bill, we destroy the right of a State to operate and to carry on its governmental functions—and the word "pernicious" means something that is persistent and continuous unto death—the new Hatch bill should be called pernicious, because it would result in the death of our system of American government?

Mr. ASHURST. Mr. President, in pungent and ironical statements I am not in the same class with the Senator from Washington.

Mr. LUCAS. Mr. President, will the Senator yield to me?

Mr. ASHURST. I yield to the Senator from Illinois.

Mr. LUCAS. In view of what the able Senator has just said, does he not believe that the word "pernicious," as well as the word "active," should be defined by the United States Senate, rather than passing that definition on to the Civil Service Commission?

Mr. ASHURST. The able Senator from Illinois was called out of the Chamber when I dealt with that point a moment ago. I have attempted to give a definition of the word "active." The word "active" is opposed to "dormant." The word "active" might mean quick physical power. The squirrel is active. He jumps from bough to bough. The squirrel is active—is alert—as opposed to sleep, dormant, and quiescent.

I say that the use of the word "active" alone in the bill is not sufficient and might lead to confusion. But when we say "engaged in pernicious political activity," the Senator from Illinois, who is one of the learned lawyers in this body, if he were on the bench, would not have great difficulty, if the evidence were before him, in determining whether or not a particular action were one of pernicious activity or simply activity. To post a letter is activity; it might not be pernicious activity.

Mr. LUCAS. Mr. President, does not the Senator believe that the Senate of the United States ought to place some standard or safeguard around that language by defining the term "pernicious political activity," rather than to say that we do not understand what is meant by "pernicious political activity," but we are willing to let the Civil Service Commission say to every community in the United States what is pernicious political activity?

Mr. ASHURST. Mr. President, I had no idea of getting into this debate, but I love the sound of my own voice so well that I am emboldened to go on. Let me say to the able Senator from Illinois, whose learning is too profound, who is too astute a lawyer, too experienced to fail to know that we cannot define fraud; we cannot define fraud because she assumes—or perhaps I should use the masculine——

Mr. TYDINGS. She is the mistress of too many situations.

Mr. ASHURST. As the Senator from Maryland says, she is the mistress of too many situations. Fraud appears in so many guises and disguises; it appears in so many multifarious forms—it has the heads of Cerberus and the eyes of Argus—that long ago in our jurisprudence and in English and American law we gave up any attempt to define fraud.

If the able Senator from Illinois were on the bench he would be able to say that one act was pernicious activity, but another was not. But when we attempt to define pernicious activity in a penal statute—and under the rule "the expression of one is the exclusion of the other"—we would have thousands of instances that might be pernicious but would not come within the purview of the law.

For that reason I doubt the wisdom of attempting to give an all-embracing definition of pernicious activity.

Mr. LUCAS. Mr. President, in view of the fact that we have discussed the question of whether we should define "pernicious political activity," I call attention to the language of section 15, as follows:

SEC. 15. The United States Civil Service Commission is hereby authorized and directed to promulgate, as soon as practicable, rules or regulations defining, for the purposes of this act, the term "active part in political management or in political campaigns."

In view of what the Senator has just said about the word "pernicious," and that we are unable to define it—if we cannot define "pernicious political activity," I ask the able Senator, how can the Civil Service Commission or a United States Senator define it as related to political campaigns? Is it not as difficult for one as for the other to attempt to make a definition?

Mr. ASHURST. The Senator's frankness compels me to answer in the affirmative; yes.

Mr. LUCAS. That is exactly the point I am going to raise in a few moments on a motion to recommit the bill.

Mr. ASHURST. I am bound to say, although I shall probably vote against the motion to recommit, that in frankness and candor I do see some force in the Senator's observation.

Mr. LUCAS. I thank the Senator for agreeing with me, because it is worth while to find that the Senator finds some force in any argument I put forth.

Mr. ASHURST. Mr. President, I have never heard the able Senator from Illinois [Mr. LUCAS] make other than a strong argument. In fact, he never arises unless he has something of force to say.

Mr. SCHWARTZ. Mr. President, will the Senator yield?

Mr. ASHURST. I will yield to the able Senator from Wyoming. I wish to read an article from the Washington Star, and then I am through.

Mr. SCHWARTZ. I merely wanted to refer for a moment to the word "perniciously"——

Mr. ASHURST. Perniciously active.

Mr. SCHWARTZ. The present Hatch Act and various other Federal statutes declare certain actions in reference to elections to be unlawful.

Mr. ASHURST. Yes.

Mr. SCHWARTZ. And if this measure is passed, it will also declare certain acts to be unlawful. Why would it not simplify the amendment if, instead of saying "perniciously active", we say "unlawfully active"?

Mr. ASHURST. With due deference to the able Senator's remark, I believe that it would be better for this particular bill to use the phrase "perniciously active" than "unlawfully active", because there are acts that are pernicious which might not be unlawful.

Now, Mr. President, I wish to read an article headed "Hoover and Politicians."

This is from the Washington Star of 2 or 3 days ago, and was written by Mr. Frederic William Wile:

Undoubtedly J. Edgar Hoover's consistent refusal to permit political interference in the Federal Bureau of Investigation has something to do with the current drive to investigate him and his efficient outfit. Senator ASHURST (Democrat), of Arizona, chairman of the all-powerful Senate Judiciary Committee, can bear witness about F. B. I.'s—

That is the Federal Bureau of Investigation—

politics ban. Senator ASHURST once sought to have a young constituent appointed a G-man. The candidate took the required examination and failed to make the grade. He was flunked a second time. Then the Senator went to bat for him, only to be told by Mr Hoover there was positively nothing doing as long as the aspiring Arizonan—

That is the applicant [laughter]—

couldn't rise to required F. B. I. standards. Mr. ASHURST heads the Senate committee which, in a way, holds Mr. Hoover's fortunes in the palm of its hand.

Mr. President, while that is a correct article, the Senate Committee on the Judiciary does not hold Mr. J. Edgar Hoover's fortunes in its hands, nor does it hold any other person's fortunes in its hands. The F. B. I., under Mr. Hoover's supervision, is an almost nearly perfect example of an agency of the Government indulging in no activity of any sort in politics. There is always an irritation against the reformer. If he would reform himself and all things that come within the periphery of his influence, he would do a great work.

Reform is like a boil. A reform is for "the other fellow" and not for me. Learned physicians many years ago held an argument—one of them delivered an exegesis upon the question of where a boil should appear on the human body, but it was finally conclusively demonstrated that the proper place for a boil to appear on the human body is on the back of the neck of "the other fellow." [Laughter.]

So, Mr. President, I am not making any apology for reform. Progress and reform must keep pace with the dramatic march of events in the United States. I am proud that the able Senator from New Mexico has not been driven from his post by the words we have all uttered—and I have uttered some of them about reformers. There has been much good work done by the reformers which has been nullified in some instances, probably by the courts, in some instances by public opinion, because, Mr. President, in some cases we go too far and attempt too much at one time.

I have not said that the Hatch bill goes too far. I say, though, in amendments which would exempt Cabinet members and persons aspiring to be ambassadors or other public ministers we must not make any distinction. We must not go faster than society can go; we cannot pass a law, Mr. President, of any force and effect that goes further or faster than the most witless man in the country can go. That is a remarkable statement. We cannot successfully impose a law upon a great Nation which law is in advance of the most witless man in your country.

Mr. President, I have no desire to compare people to cattle, but my life on the ranches in early years in Arizona taught me a vast deal which has been helpful to me, even in such an august place as the Senate. You remember, Mr. President, the cowboy song Get Along, Little Dogies. What a wealth of common sense and philosophy is contained in that song. You never heard the cowboys sing "Get along, you longhorns," or "Get along, you stout and fat ones." The cowboy knew that the longhorns and the stout, fat ones would reach grass and water without any trouble, but he knew that his herd could progress and proceed only as fast as the slowest, weakest members of his herd could go and the dogies were the poor and the weak and the slow.

His day's advance with his herd of cattle was measured by the distance his slowest and weakest ones could go. So it is with reforms, Mr. President. Unfortunate and discouraging as it may seem at times, you must not get too far in advance of the main herd. You should go only as fast as the slowest of the herd can go. When we advance and say that we are going to make a young man or young woman ineligible for a certain political office, but do not impose that restriction upon him when he applies for a Cabinet position, we are going faster than the herd is going, and we shall not get there with the herd. We shall not accomplish much.

Mr. MINTON. Mr. President, will the Senator yield?

Mr. ASHURST. I yield.

Mr. MINTON. The Senator has referred to the cattle country jargon about the dogies. The Senator from New Mexico [Mr. HATCH] comes from that section.

Mr. HATCH. Mr. President, a very interesting conversation is going on, but I cannot hear it.

Mr. MINTON. Does not the Senator feel that this legislation is directed altogether at the dogies, and that we have not the big fat cattle in with them at all? Some of us have been trying for a week or 10 days to get the big fat cattle in. So far as we can make out, the bill is directed only at the dogies.

Mr. ASHURST. Mr. President, I voted for the amendment of the Senator from Alabama [Mr. BANKHEAD] limiting campaign contributions to a thousand dollars. I voted for the amendment limiting contributions to $5,000. I think the bill

has thereby been improved. I think if we adopt my amendment to the amendment of the able Senator from Utah, the bill will be further improved.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. ASHURST. I yield.

Mr. BARKLEY. The Senator always embellishes whatever he discusses, and enlightens his audience. I have been especially interested in his theory of the speed of the cattle. Under his theory he assumes, of course, that the dogie is willing to move; that he goes forward, at whatever speed he can.

Mr. ASHURST. Yes; he is a part of the herd.

Mr. BARKLEY. But he does not turn around and run the other direction? [Laughter.]

Mr. MINTON. Who is the dogie?

Mr. ASHURST. If the Senator were driving a herd and were as alert with the lariat as he is with words, he would catch all the dogies that went the other way.

Mr. THOMAS of Utah. Mr. President, I had no idea that my simple amendment would turn Senators to ancient history, philosophy, and the proverbs, and to experiences on the cattle range. However, I shall keep in harmony with the atmosphere which has been created for us and merely call attention to the fact that in writing the amendment we attempted to go along with the herd. That is, we had before us an actual act. In that act were actual words. I realize that judges of the various courts interpret those words in different ways. Therefore, in writing the amendment we were careful to use only words which had been given a definite meaning by practice, regulation, and decision. Therefore, I did not object in the least to the Senator's amendment putting in the word "perniciously," because the word "pernicious" is part of the title of the act itself and is used in the act to define the kind of political activity which is supposed to be prevented. However, when we come down to the body of the act, the act gets away from the use of these various adjectives, and, with the heading "pernicious" understood in section 4, for example, the words "or any political activity" are left there, realizing that the definition for that sort of activity has already been made. Therefore I accepted the first amendment of the Senator from Arizona. I was glad to accept it. If the Senator from Arizona realizes and understands that the amendment is intended to be in harmony with the act itself, that Cabinet officers and the President are already exempted from the provisions of the act, and that therefore the amendment should exempt prospective Cabinet officers and prospective Presidents; and if the Senator realizes that that was the only purpose for the insertion of subsection (b), I have not the least objection to accepting his second suggestion, and will modify my amendment by eliminating subsection (b).

Mr. ASHURST. Mr. President, that relieves me of the necessity for further argument. I know the able Senator from Utah is acting in good faith. He does not need any words from me or from any source to be assured that his motive and object are to strengthen the Hatch Act. I know that. We all know it; so it seems unnecessary to comment.

Mr. President, may we have read the amendment in its present form, so that we may know how it reads at this time?

The PRESIDING OFFICER. The amendment of the Senator from Utah, as modified, will be stated.

The CHIEF CLERK. On page 7, after line 18, it is proposed to insert the following:

SEC. —. (a) Hereafter no person shall be appointed to any position or employed in the executive branch of the Federal Government, or in any agency or department thereof, if, during the 2-year period immediately preceding such appointment or employment, such person has taken a perniciously active part in political management or in a political campaign for the purpose of affecting the election or the nomination of any candidate for the office of President, Vice President, Presidential elector, Member of the Senate, Member of the House of Representatives, or Delegate or Resident Commissioner from any Territory or insular possession.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Utah [Mr. THOMAS], as modified.

Mr. SCHWELLENBACH. Mr. President, I wish to make a very brief observation about the amendment offered by the Senator from Utah [Mr. THOMAS]. It seems to me that the amendment of the Senator from Utah, as modified by the suggestions of the Senator from Arizona [Mr. ASHURST], brings us up against the question of the whole philosophy of the Hatch Act.

The philosophy of the present Hatch Act is that it is wrong for political employees to participate in politics because of the fact that their participation would not be because they believed in the political candidate whom they were supporting, but because they feared that if they did not participate they might lose their jobs. If that is a logical position, then it seems to me to be equally logical that we must accept the amendment of the Senator from Utah, because if it is wrong to participate because one is afraid of losing his job, it is equally wrong to participate because of the hope of obtaining a job. The Senator from Arizona wants to make a different rule, and the Senator from Utah has accepted the amendment, for those who are participating because of a hope, than for those who are participating because of a fear. Those who participate because of a fear cannot participate at all, but those who participate because of a hope will have to participate perniciously; they must do something malignant. It seems to me that it is clearly illogical to attach to the amendment of the Senator from Utah the amendment of the Senator from Arizona, because if the fundamental philosophy of the Hatch Act is correct that people should participate in political campaigns and elections only when they believe in a cause and in the virtue of the candidate for whom they are working, then it is as wrong to participate merely because one hopes to get a job as it is to participate just because he is afraid he will lose a job he already has.

Mr. HILL. Mr. President, will the Senator yield?

Mr. SCHWELLENBACH. I yield.

Mr. HILL. What the Senator is stating is that if the amendment of the Senator from Utah should be adopted, as amended by the Senator from Arizona, the amendment of the Senator from Arizona would make the Hatch Act inconsistent in its different parts. Is that correct?

Mr. ASHURST. Mr. President, if the Senator from Washington will yield to me for a moment, I thought I said that I regarded consistency as "public enemy No. 1." The able Senator from Utah pointed that out, but that, of course, did not frighten me from my position. The fact that one provision might be inconsistent with another would not have any weight in considering the matter. [Laughter.]

Mr. HILL. Mr. President, will the Senator from Washington yield to me further?

Mr. SCHWELLENBACH. I yield.

Mr. HILL. Knowing the Senator's eloquent defense at all times of inconsistency, I was sure the Senator, as the great apostle of inconsistency, would take the position he has taken, the difference being that the great and distinguished Senator from Arizona is always eminently frank in his inconsistency, whereas must of us rather—what shall I say?—sidestep, dodge, or fail "to come up to scratch," and plead guilty to the charge.

Mr. ASHURST. Mr. President, if the able Senator from Washington will pardon me, let me say that I have been the subject of considerable raillery and good-natured fun for a long time regarding my attitude on the question of consistency. I am willing that others should have fun even at my expense; but let me say that most of the truly great leaders of the United States have been inconsistent. One of the most inconsistent of our Presidents was Theodore Roosevelt, and he was successful because of his inconsistency. President Franklin Roosevelt has been inconsistent; President Woodrow Wilson was inconsistent. I would not care to serve here if an iron bed, a procrustean bed of fixity and consistency was laid out for me to which I would have to conform at all times, and if, forsooth, I was too short for the bed I must be stretched and drawn out to the required

length; and too long for it, that my head or my feet would have to be lopped off to fit such iron bed.

Mr. President, I suppose every man who comes to the Senate, in his heart, resolves to follow the bright light of consistency. It is a noble dream; but whoever comes to the Senate, and does that, will serve one term only and render no service, because the currents of public opinion, the currents of duty change and conflict, and the varying phases in which public issues confront him make it utterly fantastical for any man to lay down a rule of consistency by which he will be guided. Of course, I mean a political rule. It goes without saying that every man should provide for himself a decent, fair rule of conduct, and when I refer to inconsistency I do not mean that anyone should be dishonest or insincere in his advocacy of measures or his opposition to them.

Mr. President, in a very few days there may be a resolution before the Senate regarding a Presidential third term. As I recall, all of us on the Democratic side were opposed to a Presidential third term in 1927 and 1928. Of course, we may all be inconsistent when that resolution comes before the Senate, if it shall come before the Senate again, and may not be for it. Even if I was for it on a previous occasion, it would not trouble me. I might make no change in my previous attitude or I might do the rare thing of remaining consistent about it or I might be inconsistent. At least I am free to do just as I choose and to do it without embarrassment.

Mr. President, too long have epithets, too long have phrases in American public life guided, controlled, influenced, and frightened men. One of the reasons the Senate is a great body is that one cannot frighten the Senate by an epithet, one cannot frighten the Senate by a motto, one cannot frighten the Senate by a phrase. Many men of eminence and worth in the United States have been torn down by phrases and many an unworthy man has been elevated to great place by phrases. Logic, worth, character, intellect, courage, patriotism, honesty, devotion to public service—not epithets or phrases—should influence public affairs. What makes the Senate a body to which any citizen may aspire and be proud of the opportunity of serving is that we do what we think is right, and we do it whether or not others think it inconsistent. As the late beloved Senator Borah said, during his long service in the Senate he never worried himself about consistency. Consistency is a nice word. It rolls in the mouth like a lollypop. I ask Senators to look at their records and see if they have been consistent. If they have been consistent they have been extremely inactive, and have not rendered full duty to their States, for a problem comes up today in one phase and the same problem comes up tomorrow in another phase. I hope the time will come when men will not be abashed to be called inconsistent.

Mr. President, I came to the Senate a rip-snorting low-tariff man. For 18 years over the country I split the ears of groundlings and fulminated the sky and earth with arguments for a low tariff. But, 20 years ago, having "seen the light"—having toured Europe and other parts of the world and given the matter deep thought, I became a high-protective-tariff advocate. I am for a high tariff, and, in my judgment, the ills, woes, troubles, trials, and tribulations in this country would soon disappear if we had a high protective tariff. I think the Republicans have been recreant to their trust——

Mr. SMITH. Mr. President——

Mr. ASHURST. I will yield in a moment. They have been recreant to their own principles in failing on every proper occasion to urge a high, protective tariff on imports that come into the United States. Now I yield to the Senator from South Carolina.

Mr. SMITH. Does the Senator not consider the Smoot-Hawley bill a high-tariff measure?

Mr. ASHURST. I voted against it because the rates were too low. I stood on this floor for 8 hours trying to raise the rate on manganese and various other items, and every Democrat but two voted with me to raise the tariff rate on manganese. It is very nice to say we wish our children to go to day school and Sunday school and church and dress well and to wish that the laboring man shall have grapefruit and avocados at breafast and some of the good things of life, but we cannot have those things in America unless we have a protective tariff, because with our high standards of living we cannot compete with the outside world; and Senators know it. Prosperity will come again to the United States when we have a protective tariff, and when we take from Fort Knox about $10,000,000,000 of the gold now buried in the earth there and coin it into double eagles for circulation among the people.

I see before me at least one Member of the Senate who may be nominated for President of the United States.

Mr. SCHWELLENBACH. Mr. President, I think I have the floor; and if the Senator from Arizona is going to limit it to one, I am not going to yield further.

Mr. ASHURST. Well, the Senator from Ohio is not now present. I wish to say to the able Senator from Michigan that if he becomes President, and if he sends to the Congress a message urging a high tariff, I will vote for it. If he sends a request or a message for a bill to coin about $10,000,000,000 of the gold now buried in the earth at Fort Knox into double eagles for circulation among the people and the payment of the debt of the United States, I will vote for such a bill. If he does this he will thereby demonstrate that he is worthy to be President. He has already demonstrated that he is worthy to be considered for the Presidency. [Laughter.] I am not committing myself to him, because I am for the Democratic nominee, whoever he may be. [Laughter.]

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. ASHURST. I have not the floor. I am trespassing on the time of the Senator from Washington.

Mr. VANDENBERG. May I ask the Senator from Arizona a question in the time of the Senator from Washington?

Mr. SCHWELLENBACH. I yield to the Senator from Michigan. If I may make an observation before I yield, I am very delighted to yield to somebody on the other side. This is the first time a Republican has opened his mouth since this debate started. [Laughter.]

Mr. VANDENBERG. This is the first time there has been any justification for it. [Laughter.]

I simply want to thank my distinguished friend from Arizona for his observations, and particularly for his sound economic views; and I want to add that, as I understand his discussion of consistency, he takes the position that while consistency is a jewel, too much jewelry is vulgar. [Laughter.]

Mr. ASHURST. Right, Mr. President. With all my supposed familiarity with the English language, I could not have said that. [Laughter.]

Mr. President, one other word—and it is for Democrats. You are going out pretty soon into a campaign. You have had possession of the Federal Government for 7 years, and not a single Democrat has presumed to introduce a bill to repeal the Smoot-Hawley Tariff Act. How are you going to make votes by denouncing high tariffs when after 7 years, with a majority in each House, you have not made even a gesture looking toward repealing the Smoot-Hawley Tariff Act, because if you did so you would get a reaction that would cause the Republicans to carry every doubtful precinct in the United States?

Mr. GLASS. Mr. President, have we not done that in an unconstitutional way when we have adopted these foreign-trade treaties?

Mr. ASHURST. My answer is yes. The Senator refers to the trade treaties?

Mr. GLASS. Yes.

Mr. ASHURST. I want to talk about that subject for a moment. [Laughter.]

Mr. President, I think of all the men in America—next to the President and the Vice President of the United States—who have favorably impressed not only their own country but

the world as men of a high type of ability, patriotism, and judgment, Secretary Hull's name comes to mind. I have for him an affection that is fraternal. It partakes of the affection I have for a brother. I regard him as one of the most high-minded, learned men who ever held the office of Secretary of State; and it is no small matter for me to disagree with the able Secretary of State respecting his trade agreements. I do not lightly disagree with his policy on that subject, because he profoundly believes in it, as he believes in everything he advocates; and it is a personal affliction to me to be required to announce that I cannot support treaties or trade agreements made upon the ipsi dixit of one man. Treaties and trade agreements should be ratified by the United States Senate, as the Constitution provides.

My constituents have asked me the question as to what will be my attitude on these trade-agreement treaties, and I have thus spared myself the necessity of writing several thousand letters by announcing here my attitude on that subject.

Mr. HILL. Mr. President——

Mr. SCHWELLENBACH. I yield to the Senator from Alabama.

Mr. HILL. Perhaps I should apologize to the Senator from Washington for inviting this enlightening and eloquent, though somewhat extended, interruption of his speech. As I heard the tribute to inconsistency from the distinguished Senator from Arizona, I could not fail to remember the observation of Abraham Lincoln that it was an awfully dumb man who did not have more sense today than he had yesterday.

Mr. ASHURST. Mr. President, will the Senator yield?

Mr. SCHWELLENBACH. I yield to the Senator from Arizona.

Mr. ASHURST. Will the Senator allow me to thank the scholarly and able Senator from Alabama for that reference? I needed something like that in my own repertory. [Laughter.] I will add that to my repertory when I am advocating inconsistency.

Mr. SCHWELLENBACH. Mr. President, I did not anticipate starting this particular discussion, although in reference to it I should like to say that I think we have made great progress in inconsistency, even for the Senator from Arizona. He has repeatedly boasted that he did not believe in consistency; that it was all right for him one day to repudiate what he did the day before, or at 4 o'clock to repudiate what he did at 3 o'clock. So far as I know, however, this is the first time he has advocated being inconsistent with himself at the same time, and putting into a bill an amendment which is totally inconsistent with the bill itself. [Laughter.]

I really rose for the purpose of trying to get into an argument with the Senator from New Mexico upon what seems to me to be a fundamental question which is raised by the amendment of the Senator from Utah [Mr. THOMAS], and that is, what difference is there between its being wrong for one to participate in political activity because of fear of losing the job he already has, and its being wrong for one to participate in political activity because of the hope of a job he expects to get? If the whole Hatch bill is right, why is not the Thomas amendment to it right?

Mr. HATCH. Mr. President, I do not desire to engage in an argument with the Senator from Washington or any other Senator just now. I am quite anxious to vote. There is, however, a vast difference in the two situations. One man is not on the public pay roll. Another is drawing a salary paid from public funds, and devoting his time—as too often is the case, all of his time that he should be devoting to official duties—to the active work of politics.

Mr. SCHWELLENBACH. Mr. President, will the Senator let me ask him another question there?

Mr. HATCH. No; I am not going to get into any discussion with the Senator. I want to avoid all the discussion I possibly can, in the hope that we may vote on this amendment, and the next amendment, and the next amendment, and the next one, whatever number may be offered, and finally, today or tomorrow at some time, vote on the bill itself. That is my only desire at the moment.

Mr. ADAMS. Mr. President——

Mr. SCHWELLENBACH. I yield to the Senator from Colorado.

Mr. ADAMS. I merely want to point out what seems to me a bit too-inclusive definition on the part of the Senator from Washington in assuming that every man who before an election seeks to carry forward certain principles is necessarily hopeful of securing an office. The Senator knows that that is not true. The vast majority of men who take an active part in politics do so because of what they regard as the welfare of their country, frequently because of affection for a man whose candidacy they approve, and not in the hope of getting an office. So when the Senator simply makes two groups—those who have offices and those who hope for offices—I think his definition is too inclusive.

Mr. SCHWELLENBACH. Mr. President, I do not make that classification at all. There is nothing in the Thomas amendment which would stop a man who wanted to work for the Senator from Colorado for reelection because he believed in the Senator from Colorado from working for him; but, under the Thomas amendment, if the reason why a man wanted to work for the Senator from Colorado was that he thought the Senator might be able to get him a job, then he would be stopped from working for the Senator from Colorado, because he would know that he could not get a job within 2 years.

I do not classify everybody who has not been appointed to a job as working in politics for the purpose of getting a job. Certainly a goodly percentage, and, I hope, the great majority of them, do not have such a motive. Therefore the observation of the Senator from Colorado does not meet the argument I have made.

I desire, however, to revert to the answer of the Senator from New Mexico. If the Senator from New Mexico is correct in his answer to me, then his bill should provide that between 8 o'clock in the morning and 5 o'clock in the afternoon those holding political office should not take part in political activities. The prohibition should not extend on into the night and during the hours during which the man is not paid by the Government.

Mr. MINTON. Mr. President, will the Senator yield?

Mr. SCHWELLENBACH. I yield to the Senator from Indiana.

Mr. MINTON. I am glad the Senator from Washington has directed attention to that thought, because it is constantly stated by the Senator from New Mexico and his chief supporting newspaper, the Washington News, that this bill is directed at those persons only while they are working at their political jobs. Nowhere is the bill directed at them while they are working on the job.

The News starts out an editorial of March 9 as follows:

THE SENATE AMOK

The greatest deliberative body on earth has blown its top. And all over a legislative issue of whether public servants should devote their full time to public service or be at the call of party bosses.

That is not the issue. That is not the issue presented by the Hatch bill at all, and certainly the brilliant editorial writer of the Washington News knew that it was not; for this bill not only condemns a fellow who plays politics while he is on the job but it will not even let him use his own time when he is off the job, when the day's work is done, and he is around the fireside with his wife and children, and the neighbors come in to sit down with him. He would not dare, in his own home, with his neighbors gathered around his fireside, to talk to his neighbors in the interest of the man who put him in his job, or the party that gave him his job. If he did, he would be engaged in political activity.

Mr. HATCH. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from New Mexico?

Mr. SCHWELLENBACH. Yes; I yield.

Mr. HATCH. I do not want to say to the Senator from Indiana what it is in my mind to say, but I do want to say that the statement he has just made has been repeatedly denied not only by myself but by all the decisions which have

been rendered in interpretation of this or similar measures. The act he so eloquently describes does not constitute political activity.

Mr. MINTON. Just what is the Senator talking about?

Mr. HATCH. The man discussing matters at home.

Mr. MINTON. Why, of course, that is denounced by this bill.

Mr. HATCH. Of course, it is not.

Mr. MINTON. If a man gathers around his fireside with his wife and children, and neighbors come in, and they become involved in a political argument, of course, he is bound to walk away from them. This is what the Civil Service Commission itself says about that. The Senator is going to apply the civil-service regulations to these persons under the bill. The Civil Service Commission, interpreting political activity, says:

> An employee may participate in discussion where no political issue is involved or make an address on any moral or ethical subject.

They can sit around and talk about the Bible, they can sit around and talk about the coming of the Judgment Day, they can talk about prohibition, perhaps, or topics of that kind; but do not let them get into a political argument, because the Civil Service Commission, which is going to interpret and apply the proposed law, has said that "when two or more parties or factions become engaged in a contest for rival or antagonistic measures or policies of governmental control or regulation a political issue is created." Whenever that situation is found, and people begin arguing about politics, one having a job on the Federal pay roll must "clear out." The Senator from New Mexico wants to put those on the State pay roll in the same muzzled class. I say that the Senator from New Mexico has stated repeatedly, as he stated a moment ago, and as his chief supporting newspaper, the News, has said, that this bill is directed at employees while they are on the job, so as to keep people who have political jobs on the job, doing their duty all the time. That is not what the bill is for. If the Senator will limit it to that I will support it. If he will include a provision making it apply from 8 o'clock in the morning until quitting time in the evening, I will support it. But the Senator from New Mexico will not do that. He wants to provide for the period after a man goes home from his work in the evening, and prescribe that at that time also he must cut out any political activity. I repeat, a man cannot in his own home, with his neighbors gathered around him, engage in a political discussion without violating the Hatch Act.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. MINTON. I yield.

Mr. LUCAS. Certainly, regardless of what the civil-service rules are, if this bill is passed as it is now written, under section 15 of the act the Civil Service Commission will have a right to define as political activity what the Senator is now discussing. Certainly there is no restraint, under the bill, as to what the Civil Service Commission may say is or is not political activity, notwithstanding they may have certain rules and regulations at present governing the matter; but now they are to widen out all over the United States of America in a new field, and in a strange field for them, if I may say so, and there is nothing in the bill, any section of it, especially section 15, which I have been discussing throughout the debate from the time it started until now, which denies the Civil Service Commission full power and authority to say what is and what is not political activity. Certainly, if, as the Senator from Indiana says, an individual were sitting by his own fireside discussing something with his neighbors, and a political question arose, for instance, as to whether or not John Jones should or should not be elected, if the individual who fell into the designated class were in his own home and took part in the discussion, I submit that the Civil Service Commission would have a right to say, under the rules and regulations, that that was political activity.

Mr. MINTON. The observations of the Senator from Illinois are, in my judgment, absolutely correct; the Civil Service Commission could make a definition which would include what I have described, a little friendly gathering, as a political activity condemned under the proposed act.

Mr. HILL. Mr. President, will the Senator yield?

Mr. MINTON. I yield.

Mr. HILL. What difference could there be in principle, in effect, in practice, between a man in his own house, say, at a meeting with his own neighbors, perhaps a meeting of a little neighborhood P. T. A., talking about the election of a school-board member, perhaps the adoption of a school tax, or something of that kind, and his doing the same talking in the school house, perhaps on the corner? There could be no difference, could there?

Mr. MINTON. There could not be any, and if such a provision were enforced, it would have to be enforced in one instance as in another.

Mr. HILL. When we boil it down, the whole measure does not go to the practices or the activities which every Member of the Senate and everyone in the country wants to end. It applies to the individual. It is too much like a doctor killing the patient merely to get rid of the disease.

Mr. MINTON. Yes; or like burning down the barn to get rid of the rats.

Mr. HILL. That is correct.

Mr. MINTON. All the time we hear talk about keeping the Federal money which we are appropriating for a Federal purpose from going into the pockets of people to be used for political purposes. If the Senator from New Mexico will draw his bill on that principle, I will support it. But what business has the Federal Government, merely because it pays a man's salary, to say to that man, "You shall not do thus and so after you are off the job"?

Let me say to the Senator from New Mexico that if he will write a bill which will attempt to prevent the playing of politics by the employee while he is on the job—and his work is what the man is being paid for, and that is why the Federal Government takes the money out of its coffers for a man's service, we will say, from 8 o'clock in the morning till 5 o'clock in the afternoon—if the Senator from New Mexico, with the aid of the Washington News, will write a measure which will say to the workers, "You shall take no part in politics from the time you go to work in the morning until your day's work is done, for which time you are paid by the State or Federal Government," I will join him in trying to have a bill of that kind passed, because I think the Federal Government and State governments are entitled to a good day's work for a good day's pay. But the Senator from New Mexico would provide, under the guise, mind you, of controlling Federal money, of seeing that the man who gets Federal money uses that money for a Federal purpose, that the Federal Government may come in and say, "No; we not only claim the right to tell you what you shall do during 8 or 9 hours a day when you work, and for which we pay you, but we claim the right to say that when you go home at night, and are on your own time, you shall not take part in any political activity whatsoever, no matter how vital you may think it may be to you, your home, or your community."

Mr. President, that is what we are objecting to. All this talk about trying to control Federal funds is beside the mark, I submit, because the proponents of the legislation do not stop there. They do not attempt to limit the application of the law to the expenditure of Federal funds; they do not attempt to limit it to the expenditure of State funds; but they try to follow the fellow long after the Government's money has quit jingling in his pocket for his day's work. They want to control his action and his activity when he gets home at night and when he is not out on the job.

The Senator from Illinois, who has manifested a keen and penetrating interest in some of the shortcomings of the pending bill, has pointed out what I think is a fatal defect in the bill, what I think is an unconstitutional provision in the bill, the provision which would permit the Civil Service Commission to write the penalties, to define the offenses under the bill, and not to fill in the details, as Chief Justice Marshall

said in a case may be done by an administrative body. They would not attempt to fill in the details; they would put in the whole thing under the delegated power we would give them here. I say that cannot be done under the Constitution, and I understand that is what the Senator from Illinois says cannot be done.

Let me point out to the Senator from Illinois that the Civil Service Commission itself has admitted that it cannot define "political activity." I will read to the Senator from Illinois, who was not in the Chamber yesterday, what I read into the RECORD from a publication of the Civil Service Commission itself. I read for the benefit of the Senator from Illinois from a publication issued by the United States Civil Service Commission entitled "Political Activities and Political Assessments of Federal Officeholders and Employees." Paragraph 2, on page 2, starts out with this statement:

> It is impossible to give a complete list of the particular activities in which an employee may not engage.

That is from the Civil Service Commission, which is to be charged not with filling in the details but defining the offense. It says itself that it cannot define it. I submit that we certainly should not delegate to them something which they admit they cannot do, and that is what the proposed act is attempting to do.

Mr. President, I want the Senate to keep before it at all times when the Senator from New Mexico is talking about controlling Federal funds and State funds in order to see that the Government gets its money's worth, that that is not what the bill is trying to accomplish at all. If it were, I would join the Senator, and everyone on this side who has been with me in this fight, I think, would do likewise; we would want to control the expenditure of money only while the fellow was on the job. No one would object to that. But unfortunately the bill goes much further, and it is to the part of it which goes further that we are strenuously objecting, because we think it unnecessarily sacrifices the American right of every free citizen of this country to be for whatever he wants to support, in his own time, when he does it voluntarily, and the mere fact that he holds a State or Federal job should not disqualify him from exercising that American right.

Mr. LEE and Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. LEE. Mr. President, Congress has approved a number of reservoirs to be constructed in Oklahoma, but the only two dams which offer any immediate probability of generating electricity——

Mr. HATCH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Oklahoma yield to the Senator from New Mexico?

Mr. HATCH. I sought the floor in my own right, and I thought I was recognized, and I desire to address the Senate.

The PRESIDING OFFICER. The Senator from Oklahoma was first on the floor, and made a request that he be recognized to speak next. Does the Senator from Oklahoma yield?

Mr. HATCH. I do not want the Senator to yield. In view of the remarks made by the Senator from Indiana, I thought it was appropriate that the Senator from New Mexico should be recognized.

Mr. BARKLEY. Mr. President, will the Senator from Oklahoma yield?

Mr. LEE. I yield.

Mr. BARKLEY. I should like to ascertain whether we can get a vote on the pending amendment right away and to offer a suggestion to limit debate on the pending amendment to 15 minutes. Would that interfere with the Senator from Oklahoma?

Mr. LEE. Mr. President, I desire to speak for only 15 minutes. I do not wish to delay the vote on the amendment, but, Mr. President, the troops are marching in Oklahoma.

Mr. BARKLEY. I realize that. If the suggestion I made would interfere with the Senator, I shall not make the request while he is on his feet, but it seems to me we ought to reach a vote on the pending amendment.

Mr. LEE. I hope we can do so. However, the Grand River Dam might be shut down for a week in Oklahoma before we could dispose of the pending bill, and I wish to speak to that subject at this time.

Mr. BARKLEY. Very well.

GRAND RIVER DAM, OKLA., AND RED RIVER DAM, TEX.

Mr. LEE. Mr. President, Congress has approved a number of reservoirs to be constructed in Oklahoma, but the only two dams which offer any immediate probability of generating electricity are the only ones which have been opposed by the Governor of Oklahoma.

One of these is the Denison-Durant Dam, being constructed on Red River between Denison, Tex., and Durant, Okla. On March 11, 1940, there appeared a United Press article in the Washington Post which said in part:

> Gov. Leon Phillips today made public a letter to Secretary of War Woodring demanding the Government halt work on the $54,000,000 Red River Dam or proceed "at your peril."

Mr. President, I ask unanimous consent to have this article printed in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit A.)

Mr. LEE. Then, Mr. President, there is another dam being constructed in northeastern Oklahoma, known as the Grand River Dam. This dam, like the one which is being constructed on Red River near Denison, Tex., would also generate electricity. On March 11 there appeared in the Oklahoma City Times the following headlines:

> Phillips talks dynamite use to halt dam.

In this article the Governor is quoted as not being adverse to "blasting" the Grand River Dam.

Mr. President, I ask unanimous consent to have this article printed in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit B.)

Mr. LEE. Then again on March 13, there appeared an article in the Washington Daily News under the headlines:

> Oklahoma readies troops in dam row.

On the same day there was a headline in the Washington Post which read as follows:

> Militia to halt completion of United States dam.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. LEE. I yield.

Mr. NORRIS. I was wondering what was meant by the rather emphatic language used in the first of the last two headlines referred to by the Senator. What kind of a row was that?

Mr. LEE. I am reading only the headline. The Senator can put the emphasis wherever he chooses on the last word in the headline.

Mr. President, I ask unanimous consent that these two articles be printed in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibits C and D.)

Mr. LEE. Mr. President, bear in mind that Congress has authorized several dams to be constructed in Oklahoma, but only these two dams have been singled out for military opposition by Governor Phillips, and bear in mind further that these are the only two dams which offer any immediate probability of generating electricity.

Mr. President, I regret very much that our Governor has seen fit to take this action, because it results only in a loss to the people of Oklahoma. I ask the question: Who loses by this action? The people, of course; that is, the farmers, home owners, and industries of Oklahoma. I ask the further question: Who gains by wrecking these two power dams? The utilities gain. How much do they gain? Well, according to the comparison between the T. V. A. rates and Oklahoma rates as made by the Federal Power Commission, the people of Oklahoma in 1937 paid $11,770,600

more for electricity than they would have paid for the same electricity under the T. V. A. rates.

Mr. President, the odd thing about the Grand River Dam controversy is that an Oklahoma Governor has called out Oklahoma troops to stop work on an Oklahoma project. The Grand River Dam is being built under authority of the Oklahoma State Legislature. That legislature established a Grand River Dam Authority and the dam is entirely an Oklahoma project.

The Federal Government has made loans to the Authority, and has made a grant of almost $9,000,000. Even though the Federal Government has loaned the Authority money, and has made a grant of nearly $9,000,000, Governor Phillips is now contending that the Federal Government should pay the State $850,000 to pay for highways inundated by this reservoir, in spite of the fact that the former highway commission made an agreement with the Grand River Dam Authority that if the Federal Government would construct a bridge across a certain stream the highway department would build the approaches to the bridge.

Mr. Clark Foreman, of the P. W. A., informs me that, although it was exceptional, yet the P. W. A. agreed to have the bridge constructed across this stream.

Governor Phillips now takes the position that he is not bound by the agreement because it was verbal and because it was made by a previous highway commission. Therefore he is now threatening to stop construction of the project until the Federal Government pays more money for the construction of these highways.

The engineers inform me that the spring rains will begin at least by April 1, and that unless this dam is completed by then, great damage will result to the construction. Then they inform me that unless the spring rains are impounded, the dam will be useless from the standpoint of producing electricity for at least another year. I say it is regrettable that our Governor has not resorted to the courts as the State authority and Federal Government have suggested, to settle this dispute instead of resorting to military force.

I wish to make it plain that in my opinion the members of the Grand River Dam Authority have shown good faith and seem interested only in doing a good job.

Mr. President, the immediate controversy is not the first trouble which the Governor has caused for these two projects. Therefore, in order that the background of this situation might be available, I ask to have printed in the RECORD at this point as part of my remarks a United Press article under date of December 11, 1939, written by Mr. Ernest M. Hill, United Press staff correspondent, under the heading "State and Local Politics."

The PRESIDING OFFICER. Without objection, it is so ordered.

The article referred to is as follows:

OKLAHOMA CITY.—The under-fire resignation of R. V. L. Wright as general manager of the $20,000,000 Grand River Dam project gave Gov. Leon C. Phillips another victory in his long series of brushes with the national administration.

Although Phillips was not out in front in demanding Wright's resignation from the $15,000-a-year job, the Governor was a frequent critic of Wright. The board members who asked Wright to resign were appointed by the Governor. Some observers believe that Phillips has been overly anxious to set himself up in opposition to the national administration, sometimes with too little justification.

He has been a critic of the Grand River Dam project, has attempted to stop construction of the $54,000,000 Red River Dam project, was opposed to giving the State wage-hour set-up an appropriation, was cool to creating a State low-cost housing administration to spend Federal funds, and has taken frequent cracks at United States Senator JOSH LEE and the national administration.

Secretary of the Interior Harold L. Ickes has been accredited with sponsoring Wright for the Grand River Dam job, and Federal officials sought to keep him as manager. Phillips' board, however, had the right to fire him and fought the resignation move through successfully.

Mr. LEE. Mr. President, in this fight there has been an effort to cloud the issue by making the charges of politics and patronage, but this is only a smoke screen intended to hide the real issue, which is whether or not the people shall have cheap electricity.

Mr. President, I now ask unanimous consent to have printed in the RECORD at this point, as part of my remarks, an article appearing in the Durant Daily Democrat, written by Mr. R. M. McClintock, who for 18 years was a Capitol correspondent.

The PRESIDING OFFICER. Without objection, it is so ordered.

The article referred to is as follows:

PHILLIPS' POWER RECORD AIRED BY CAPITOL REPORTER

(By R. M. McClintock)

"I am known to be a public power man, and the utilities are strong in Oklahoma."

That explanation, given by Manager R. V. L. Wright, of the Grand River power authority, just previous to his removal by the G. R. D. A. board appointed by Governor Phillips, seems borne out in full by an examination of the fight made against the board since Phillips' election.

And the respective stake of the Oklahoma utilities, and the consumers of the State, in the control of rates, was pointed out by Senator JOSH LEE at the public hearing given in Washington to Phillips' effort to block construction of the Red River dam. Said LEE:

"These figures (electric utility rate comparisons made by the Federal Power Commission) show that the total revenue paid by the people of Oklahoma to the utilities for electricity in 1937 amounted to $25,374,800.

"The same number of kilowatt-hours figured at the Tennessee Valley Authority rates amounts to $13,604,200, and the difference between the T. V. A. cost and the present cost to the people of Oklahoma is $11,770,600. In other words, according to the T. V. A. prices of electricity, the people of Oklahoma were overcharged $11,770,600 in 1937."

CHRONOLOGY GIVEN

Incidentally, this sum is a trifle more than the total State school fund appropriation for the current year. It would be sufficient to wipe out, with some to spare, the prospective State general fund deficit.

The bare chronological record bears out the Lee intimation that Governor Phillips was determined to protect private utility rates by preventing effective public power competition.

February 6: Phillips criticizes employment by G. R. D. A. of "nonresidents." (Manager Wright came from California.)

March 29: Phillips confers with northeastern Oklahoma legislators. Promises to reappoint four of nine G. R. D. A. members. Charges old board failed to make land purchases, gave salaried jobs to several members.

April 5: House passes Phillips bill for five-man board. The five would be named by him and could be removed by the mere filing of charges. Under the original G. R. D. A. Act of 1935 the board consisted of nine men, three each appointed by the Governor, attorney general, and commissioner of labor, removable only after filing of charges and a public hearing.

May 4: Secretary Ickes says he favors further Federal aid, but under a plan similar to Bonneville system, under which consumers would be guaranteed savings in electricity costs.

May 10: Senator LEE favors $10,000,000 additional additional appropriation for Markham and Gibson Dams but says: "I shall insist that it be written into the law that the control of the sale of electricity from these projects cannot pass to the Governor of the State through his control of the members of the board by appointment. The whole purpose of constructing projects such as these is to give the people the benefit of cheap electricity, but if a Governor who is friendly to the utilities could control the sale of this electricity through his power to appoint the members of the board, then the whole purpose of such a program could be nullified."

October 11: Phillips demands G. R. D. A. pay $870,000 for highways to be inundated by the Pensacola Dam. G. R. D. A. holds amount exorbitant—later agrees to pay.

October 31: Wright negotiates with Public Service Co. for purchase of G. R. D. A. power. Denies Phillips' claim that G. R. D. A. won't produce enough power even for Tulsa. Says Tulsa peak is 37,000 kilowatts, Pensacola peak 60,000. Calls attention to third alternative for disposition of G. R. D. A. power: "Sale of part of the power to existing utilities under the agreement that the utilities pass along the benefits of cheap electricity to consumers."

November 7: Wright's resignation demanded by board.

November 9: Wright in Washington says in discussing reason for demand for resignation: "I am known to be a public power man, and the utility interests are strong in Oklahoma."

December 16: P. W. A. says manager should be one whose past record would convince the public of his qualifications and his attitude toward the use of public power for the benefit of the people of Oklahoma.

December 20: G. R. D. A. again elects McNaughton. P. W. A. says: "Any further consideration of him is, to our mind, futile, and serves only to delay final selection of a satisfactory general manager. We strongly urge the board to proceed at once to select someone qualified for the job."

Meantime, if lack of P. W. A. funds delays completion of Pensacola Dam past the spring rains, not enough water will be impounded to permit of generation of power this year, and consumers would have to wait longer for cheap power. Beneficiaries of delay would be private utilities.

EXHIBIT A

[From the Washington Post of March 11, 1940]

WORK ON DAM AT YOUR PERIL, PHILLIPS TELLS UNITED STATES

OKLAHOMA CITY, March 8.—Gov. Leon Phillips tonight made public a letter to Secretary of War Woodring demanding the Government halt work on the $54,000,000 Red River Dam or proceed at your peril.

Phillips said the State would protect its rights with all means at its command.

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EXHIBIT B

[From the Oklahoma City Times of March 11, 1940]

PHILLIPS TALKS DYNAMITE USE TO HALT DAM—GRAND RIVER PROJECT THREATENED UNLESS UNITED STATES PAYS FOR ROADS

Governor Phillips declared Monday he would not be adverse to blasting Grand River Dam to prevent flooding in his fight for Federal money to replace inundated highways under the lake.

Asked to explain what he meant by closing the dam, he said, "I mean closing that hole so that we would have to dynamite it to let the water through."

PLANS TO CLOSE DAM READY

Thus, a show-down in the squabble between Phillips and the Public Works Administration over highway damages in the dam area loomed nearer.

In Vinita, W. R. Holway, chief engineer on the project, announced that plans are ready to close the last section of the dam and begin inundation soon after April 1.

DOESN'T WANT TO USE FORCE

Phillips declared he will take action to prevent the closure if the Public Works Administration does not meet his demands for $800,000 to cover the cost of replacing roads and bridges.

"I'm watching it," said the Governor.

"The thing that will start the backing up of water is what we've got to prevent. I may be able to stop it with a phone call to the Grand River Dam Authority. I don't want to use force (the militia) if I can avoid it."

The road controversy is at a stalemate. John Carmody, power director for the Public Works Administration in Washington, insists that the State waive further claims in consideration for a $350,000 bridge built across the Grand River by the Public Works Administration about 2 years ago. His suggestion that the question be settled by litigation was scorned by Phillips.

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EXHIBIT C

[From the Washington Daily News of March 13, 1940]

OKLAHOMA READIES TROOPS IN DAM ROW

DISNEY, OKLA., March 13.—The Oklahoma National Guard is mobilizing today to stop construction on the $20,000,000 Grand River Dam and hydroelectric project being built in northeast Oklahoma with Federal funds.

Governor Leon Phillips, a Democrat, antinew dealer, and foe of public power projects, was preparing a proclamation of martial law for the project area. The troops are mobilizing at Muskogee, 50 miles away, ready to march to the dam when the proclamation is issued.

Governor Phillips' action is part of his fight with the Public Works Administration over the amount to be paid the State for the flooding of three highways and two bridges, caused by the dam and its reservoir.

Governor Phillips wants the P. W. A. to pay $850,000. The P. W. A. claims it had an agreement with Governor Phillips' predecessor, Governor E. W. Marland, to pay $350,000. Governor Phillips maintains the agreement was verbal if there was actually one, and is, therefore, void.

ALMOST COMPLETED

Officials of the Grand River Dam Authority, an agency created by the State which is in charge of the project, indicated there would be no resistance—that work would cease.

The project is almost completed. The dam had been scheduled to take its first water April 1. The Authority's engineer said that if the dam is left open after April 1, when the flood season begins, the unfinished foundations might be damaged seriously.

In Washington, Acting Public Works Administrator E. W. Clark pointed out that the project was being constructed under State, not Federal, authority. If Governor Phillips wanted to start a "civil war" in Oklahoma, he said, "it was just too bad."

Federal Works Administrator John M. Carmody recalled that 10 days ago he urged Governor Phillips to take his claim to the courts.

"The only marching troops I know anything about are marching in Europe and Asia," he said. "Even there, civilized people are trying to reach an armistice. Here, we are at peace and here we have courts."

P. W. A. GRANTED $9,000,000

The dam authority was established in 1935. It sold $11,000,000 in bonds to the Reconstruction Finance Corporation. The Public Works Administration granted $9,000,000. The bonds were to be retired through the sale of hydro generated electricity to private utilities serving the area. Private utilities did not oppose the project.

Governor Phillips said the dam would never earn $11,000,000. He called it a white elephant.

"They couldn't sell that much electricity in those three counties up there in 50 years," he said.

AGAINST EVERYTHING

Charles Schwoerke, critic of Governor Phillips' policies, charged he had "gotten to the point where he is against anything originating in Washington. He has been friendly to all the utilities and, I believe, fears that the competition of a hydroelectric plant will force down power rates in Oklahoma."

The project gave employment to 3,000 men when work was at its peak. The dam is 150 feet high and is 6,500 feet long. When it is closed 52,000 acres will be flooded.

RED RIVER DAM NEXT

Next in line for martial law, Governor Phillips said, is the $53,000,000 Red River Dam, a Federal power and flood-control project on the Oklahoma-Texas border. It is in the initial stages of construction on the Texas side only, but Governor Phillips threatened to send the National Guard over "as soon as they stop puttering around on the Texas side and set foot on Oklahoma soil."

He has asked the United States Supreme Court for an injunction to block construction of that dam. The project, he said, was clearly a violation of States' rights, since Oklahoma had not approved it.

Governor Phillips campaigned for the governorship on a New Deal platform but soon after his election he split with the policies of the Roosevelt administration.

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EXHIBIT D

[From the Washington Post of March 13, 1940]

MILITIA TO HALT COMPLETION OF UNITED STATES DAM—OKLAHOMA GOVERNOR TO ISSUE MARTIAL LAW DECREE AT $20,000,000 PROJECT

OKLAHOMA CITY, March 12.—Gov. Leon G. Phillips said he would declare martial law tomorrow at the $20,000,000 Grand River Dam in northeastern Oklahoma and send troops to prevent its final completion.

Phillips decided he had reached a stalemate with the Public Works Administration, with whom he has been pressing a demand of the State highway department for $850,000.

The sum represents the State's claim for damages the vast lake would do to roads and bridges in the four counties it would invade.

The National Guard men will establish their rule only over the arch where the last bit of concrete would be poured to enable closing the gates and impounding water.

Phillips said he had heard from private sources that final work on the arch was under way.

The red-headed Governor said he did not know how many guardsmen would be dispatched, nor what time they would move in.

The Governor's announcement followed a telephone conversation with Ray McNaughton, chairman of the board of directors of the Grand River Dam Authority.

He said McNaughton told him he was unable to obtain satisfactory assurances from Washington that the money would be put up for the benefit of Oklahoma if the State won its claim.

The controversy over completion of the mile-long dam, which would impound 52,000 acres of water to operate as a hydroelectric project, came to a swift climax this week after months of negotiation.

Few Oklahomans would be surprised if Phillips should take similar action at the $50,000,000 Denison flood-control, hydroelectric project on Red River, if it became necessary to enforce his claims for damage to State property.

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Acting Public Works Administrator E. W. Clark said last night the $20,000,000 hydroelectric dam on the Grand River, near Vinita, Okla., is being constructed under authority of the State legislature, not the Federal Government, and if Governor Phillips wants to start a civil war in his State, "it is just too bad."

Advised that Phillips had ordered out the National Guard to block construction, Clark said:

"Doesn't the Governor know that the project is being built under authority of the State legislature, with only a loan and grant by the Federal Government?"

Mr. HATCH. Mr. President——

Mr. HILL. Mr. President, will the Senator from Oklahoma yield to me?

Mr. LEE. I yield.

Mr. HATCH. Mr. President, I thought I had the floor.

The PRESIDING OFFICER. The Senator from Oklahoma has the floor.

Mr. HATCH. Did the Senator yield the floor?

Mr. LEE. I was about to yield the floor, but if the Senator from Alabama wishes to ask me a question, I shall be glad to answer.

Mr. HILL. I wish to ask the Senator a question.

Mr. HATCH. That is perfectly agreeable to me.

Mr. HILL. The Senator from Oklahoma has well stated that the only issue raised in Oklahoma is in respect to two dams where hydroelectric power is generated. In other words, as I understand, no question is raised as to the dams which are being constructed in connection with which no hydroelectric power is to be generated. Is that correct?

Mr. LEE. That is correct.

Mr. HILL. Of course, since the Senator is familiar with the record, he knows that it was perfectly satisfactory through the years for the Government to spend hundreds of thousands of dollars, and millions of dollars, in the construction of dams, so long as those dams did not generate any hydroelectric power. It was only when we started constructing dams generating hydroelectric power that we were met with tremendous opposition, and every means possible was used to prevent the construction of such dams.

Mr. LEE. That is correct.

Mr. HILL. The Senator from Oklahoma has well said that, after all, this is simply a fight to get cheap electricity for the people of Oklahoma. We are all familiar with the long, devoted, and valiant fight waged by the Senator from Nebraska [Mr. NORRIS] to bring about the development of the Tennessee Valley and the Tennessee River. We know how, after disappointments and defeats, and after being confronted by seemingly insurmountable obstacles, he won that fight, and great dams have been built on the Tennessee River. The cities of Bessemer and Tarrant City, adjoining the city of Birmingham, in the Birmingham area, a few miles from that city, applied for loans from the W. P. A. in order that they might build their own municipal distribution plants. They also asked the T. V. A. to sell them power. The T. V. A. agreed to sell the power. The P. W. A. agreed to make the loans in order that the distribution plant might be built. Then what happened? These cities were thwarted in every step by the Birmingham Electric Power Co. and the Alabama Power Co., which furnished the power to the Birmingham Electric Power Co., and five different suits were brought in the courts in an effort to keep those cities from constructing their own distribution plants and from enjoying the benefit of the cheap T. V. A. power. The cities won their fight. They are now getting T. V. A. power.

What has been the result? Not only are the two cities of Bessemer and Tarrant City getting the power today at cheap T. V. A. rates, but as the result of T. V. A. power coming into the Birmingham area, the great city of Birmingham and all the other cities in that area have had their power rates reduced by the Birmingham Electric Power Co. and by the Alabama Power Co. to a point practically the same as the T. V. A. rates.

The fact of the matter is that when the T. V. A. power was turned on at Bessemer, Ala., the Birmingham Electric Power Co. carried a big advertisement telling about how it had reduced rates, and proclaiming that since 1933, when Congress passed the T. V. A. Act, and when the power program with reference to P. W. A. loans was enacted, the Birmingham Electric Power Co. had reduced electric rates in the Birmingham area not once, twice, or three times, but seven different times. I hope the people of Oklahoma will profit by the experience of the people of Bessemer and of Tarrant City and that they will fight this thing to the last, because, as the Senator from Oklahoma [Mr. LEE] has so well said, it is a battle to obtain cheap electric rates for them.

Mr. LEE. I thank the Senator; and I thank the Senator from New Mexico [Mr. HATCH].

## MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8068) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1941, and for other purposes.

## TREASURY AND POST OFFICE DEPARTMENTS APPROPRIATIONS—CONFERENCE REPORT

Mr. GLASS submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8068) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1941, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 2, 3, 4, 6, 7, and 12.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 5, 8, 9, 11, 13, 14, 16, 17, and 18, and agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows: In lieu of the sum named in such amendment, insert "$3,000,000"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows: In lieu of the sum proposed, insert "$1,750,000"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment, as follows: Omit the matter stricken out and the matter inserted by such amendment, and on page 51 of the bill, commencing with the colon (:) in line 14, strike out the remainder of the line and line 15 and line 16 to and including the word "to"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment, as follows: In lieu of the sum proposed, insert "$9,975,000"; and the Senate agree to the same.

CARTER GLASS,
KENNETH MCKELLAR,
PAT MCCARRAN,
J. W. BAILEY,
H. C. LODGE, Jr.,
*Managers on the part of the Senate.*

LOUIS LUDLOW,
EMMET O'NEAL,
GEO. W. JOHNSON,
GEORGE MAHON,
JOHN TABER,
CLARENCE J. MCLEOD,
FRANK B. KEEFE,
*Managers on the part of the House.*

The report was agreed to.

## EXTENSION OF ANTIPERNICIOUS POLITICAL ACTIVITIES ACT

The Senate resumed the consideration of the bill (S. 3046) to extend to certain officers and employees in the several States and the District of Columbia the provisions of the act entitled "An act to prevent pernicious political activities," approved August 2, 1939.

Mr. HATCH obtained the floor.

Mr. REYNOLDS. Mr. President, will the Senator yield?

Mr. HATCH. I yield.

Mr. REYNOLDS. I have before me an editorial which I clipped this afternoon from the columns of the Washington Daily News entitled "This Is Where We Came In." I should like to have the editorial printed in the RECORD at this juncture, together with an article which I likewise clipped this afternoon from the columns of the same newspaper, the Washington Daily News, entitled "Plain Economics."

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Daily News]

### THIS IS WHERE WE CAME IN

The filibustering debate on the Hatch bill has reached a point where opposition Senators are offering the same amendments over and over, using different language, and making the same speeches over and over, without using different language.

All this new Hatch bill does is to give to State employees who are paid with United States funds the same protection which the existing Hatch Act already gives Federal employees—protection against coercion of their ballots or shakedowns for campaign funds. Also it applies to United States paid State employees the same rules that Federal employees are required to observe against taking active part in political management or political campaigns. All persons affected by the present Hatch law or by this new measure will be free to vote as they please, speak as they please, and keep the money they earn—or give it away if they please. These simple facts about the legislation continue to stand out despite all the far-fetched misrepresentations that have been uttered and reuttered.

The President of the United States wants this new bill passed. A majority of the Senate is eager to vote its passage. And our guess is that a preponderance of rank-and-file citizens think it is high time to call the roll.

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[From the Washington Daily News]

### PLAIN ECONOMICS

(By John T. Flynn)

CHICAGO, March 14.—While Democratic politicians in Congress try to beat the Hatch bill to end the corruption of Government employees, an ugly scandal grows and darkens around the corpse of

a wretched man here in Illinois who was the manager of the kind of slush fund that bill tries to kill.

Politicians, contractors, grafters, and various virtuous citizens are trembling lest the secrets of a "little black book" in which the dead F. Lynden Smith recorded the intake and outgo of the corruption fund of the State Democratic organization should become public. Smith is dead and police are trying to find out whether he killed himself or was bumped off.

There is nothing new about political leaders and bosses forcing Government employees to contribute to their war chests. But until recently it was always looked upon as disreputable. Political reformers denounced it, tried to find ways to end it.

F. Lynden Smith, who apparently has just killed himself in Illinois, was the guardian of the money bag of the State Democratic 2-percent slush fund. He was an aide of Governor Horner.

Governor Horner is supposed to be a man of great probity and social vision. In Chicago the Kelly-Nash machine is just an old-time political racket, getting its funds from racketeers, liquor, bookie, and girl joints. But the Horner machine was supposed to be touched with the great white light of civic virtue. To fight the battle of the pee-pul, to save the forgotten man, and drive back the Kelly-Nash hordes in Chicago, the State machine had its 2-percent clubs—every person on the State pay roll is supposed to kick in 2 percent out of every dollar of pay for the Horner war chest. And Lynden Smith was the custodian and comptroller general of this fund.

But, of course, if it is all right to make a poor clerk hand over 2 cents out of every dollar of pay, why is it not equally all right to make every contractor and coal dealer hand over a percentage on every dollar of profit he makes? And so the machine was compelling everybody to kick in—the coal men 10 cents on every ton they sold, the contractors on some other basis. And the fund ran into the hundreds of thousands. There was always a huge war chest. And Smith held it.

But a chunk of money like that, gathered that way, inevitably corrupts the minds of the men who control it. And so the men around Governor Horner began to fight over its custody. Smith lost that fight. The battle got noisy and stimulated investigations. Smith had a black book full of names. The air was full of scandal. And then last week Smith was found in a bathtub dead, after having attempted to stab himself a few minutes before.

But now what of the 2-percent clubs? Well, paint them any color you wish, call them anything you like, gild them as you will, they are corrupt by every standard. They are corrupt when they are run by Tammany Hall or some crooked leader in Kansas City or Louisiana, and they are corrupt when they are run by some virtuous politician under the pretense of saving the pee-pul.

Mr. HATCH. Mr. President, when I rose a few moments ago I wanted to speak briefly in reply to the Senator from Indiana [Mr. MINTON], but I hardly think I shall take the time to reply just now.

With reference to the Washington Daily News, I wish to say that I have greatly appreciated the very fine support which has been given to this particular measure, not only by the Scripps-Howard newspapers throughout the country but by practically the entire press of the country.

I will say to the Senator from Indiana that yesterday I noticed that when one or two editorials appeared in scattering newspapers in opposition to the pending bill, the opponents of the measure made great haste to insert those editorials in the RECORD. I have not done so with the various clippings which have come to me from newspapers all over the country, because I did not want to encumber the RECORD. Likewise, I thought it would serve no useful purpose. However, I do appreciate the support of the press of the country for this measure, and also for the measure which we passed last year.

Mr. President, the Senator from Indiana portrayed a very pitiful picture of a man gathering his little family about him at his fireside, and his neighbors coming in, and the man not being able to discuss or even mention politics.

I appreciate fair argument and fair debate; and I am perfectly willing at any time to meet any of the real imperfections of the bill, if there be imperfections—and I am sure there are—and to argue and debate real issues with the Senator from Indiana or anyone else. However, I grow just a little weary of the extreme, unwarranted, and altogether unfounded statements which have been continually made throughout the course of this debate as to the effect of the bill. It has been constantly referred to as a measure to deprive the people of the right of free speech. The same thing was said of the measure which we passed last year.

I am quite sure Senators read the law and know what it contains. I am just as jealous of the rights of the citizens of this country as is any other Senator, and I am just as zealous as is any other Member of this body in the protection of the rights of citizens, according to my lights and my judgment. Being zealous, I wrote into the original law this provision; and I ask Senators to listen to what the law says, and not to extreme, unwarranted interpretations:

> All such persons shall retain the right to vote as they may choose and to express their opinions on all political subjects.

That language was written into the law, Mr. President.

Mr. BROWN. Mr. President, will the Senator yield?

Mr. HATCH. No; I do not care to yield.

Mr. BROWN. Not just now, or not at all?

Mr. HATCH. I do not care to yield just now.

The language to which I refer differs from the rule of the Civil Service Commission in this respect: The rule of the Civil Service Commission says they may express their opinions privately. I did not like the word "privately." It did not sound good to me as an American citizen, and the word "privately" was stricken out. The law stands today just as I have read it.

In the original bill which I introduced at this session the same words were included, as I intended them to be. Later, and for the first time after the bill reached the floor of the Senate, I observed that in the redraft of the committee amendment those words had been omitted. I have been waiting day after day for some hard-swinging Senators, hitting right and left, to pick that up and accuse me of some dire, mysterious, and deep-seated plot against the liberties of the citizens of this country because those words were omitted. It had been my intention all the time to do what I shall now do, Mr. President.

I ask unanimous consent to insert, on page 4, line 22, following the word "campaigns" and the period, the identical language which appeared in the bill as I introduced it, and which appears in the original act.

Mr. BANKHEAD. Mr. President, what page is that?

Mr. HATCH. Page 4, following the word "campaigns" and the period, in line 22. I ask unanimous consent to have inserted the words:

> All such persons shall retain the right to vote as they may choose and to express their opinions on all political subjects.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New Mexico? The Chair hears none, and it is so ordered.

Mr. HATCH. I merely mention that matter, Mr. President, to show that we have been careful and zealous in protecting the rights of citizens.

I do not wish to drag out the discussion longer. As I said yesterday, everything that can be said on the bill probably has been said not once but a dozen times. We are going over the same arguments, back and forth. I want to vote.

Mr. BANKHEAD. Mr. President, will the Senator yield for a question?

Mr. HATCH. I yield.

Mr. BANKHEAD. Does the word "subjects" include candidates?

Mr. HATCH. Yes.

Mr. BANKHEAD. Does the inanimate term "subjects" include candidates?

Mr. HATCH. Yes.

Mr. BANKHEAD. The word "subjects" covers only inanimate things, does it not?

Mr. HATCH. No; it has never been so construed. It means what it says, that the personal liberties of citizens are not restricted; and nobody wants to restrict them.

Mr. MINTON. Mr. President, will the Senator yield?

Mr. HATCH. No; I do not think I shall yield any further. I wish to finish what I have to say.

As I previously stated, I hope we may defeat the amendment of the Senator from Utah [Mr. THOMAS], much as I appreciate his fine support. I know the high principle and motive behind his amendment. Nevertheless, I hope it may be defeated, and I hope we may now proceed to vote on this and other amendments as rapidly as possible until the bill is finished.

Mr. MINTON. Mr. President, will the Senator from New Mexico yield for a question?

Mr. HATCH. I yield.

Mr. MINTON. The right to express political opinions has been defined by the Civil Service Commission to mean the private expression of such opinions.

Mr. HATCH. Yes; the word "privately" is in the rule of the Civil Service Commission. It is not in the law.

Mr. MINTON. The Civil Service Commission has defined the right to express political opinions as the right to do so privately.

Mr. HATCH. Mr. President, that is because the word "privately" is included in the rule of the Civil Service Commission. The word "privately" is written into the rule. That is the word which I dropped out. I did it deliberately, intentionally, and I want it to remain out. As to what it means, I refer the Senator from Indiana to the message of the President of the United States in approving the Hatch Act, in which he discussed this very subject, and said that the act does not infringe upon the liberties of the citizens.

SEVERAL SENATORS. Vote! Vote!

Mr. SCHWELLENBACH. Mr. President, will the Senator yield?

Mr. HATCH. I yield.

Mr. SCHWELLENBACH. Let me say to the Senator that we are now on the side of the question on which I agree with him; and I ask this question on that side.

Mr. HATCH. I hope the Senator will remain on this side.

Mr. SCHWELLENBACH. No; I take the position that we should not change the present Hatch law, passed last year. We have not had an election since Congress passed it and the President signed it, and I do not think we should change it now.

I wish to ask this question about the Senator's last argument: What is the distinction between taking an active part in political campaigns and the right to express opinions on all political subjects? Take the case of the man who is going around in a precinct. He expresses his opinion. Just where does the line of distinction fall? If he expresses his opinion under one set of circumstances, it comes within the second sentence; and if he expresses his opinion under another set of circumstances, it comes within the first sentence. I should like to have the Senator explain just where the line of distinction lies.

Mr. HATCH. I appreciate the Senator's question. As I said, I do not want to take the time further to discuss this measure. The President has already pointed out in his message one distinction, which I think is a very sound distinction. It certainly would not include the case mentioned by the Senator from Indiana. Such a thing would be perfectly legitimate. However, taking the stump and making speeches in behalf of a candidate or a party would be undue political activity.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Utah [Mr. THOMAS], as modified.

Mr. THOMAS of Utah. Mr. President, I have asked for a yea-and-nay vote; but before we vote I should like to say a few words.

The amendment which I have offered is simplicity itself. It merely does one single thing; it puts upon the person who is working politically to gain an office exactly the same restrictions that it puts upon the person who is theoretically working to retain his office. In other words, the logic of the amendment is that what is good for one party is good for two parties. A further bit of logic is that if the theory of the Hatch bill is proper, and employees of the Federal Government should be restricted in their activities, then those who are seeking to become employees of the Federal Government should at least not immediately become the beneficiaries of their acts.

The Hatch Act as it is, and as it will become when amended would be, without my amendment, an act against the party and not against individuals. It is so that the act may be against the actions of individuals, and not against actions of individuals in a particular party, that the amendment is offered.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Adams | Ellender | Lodge | Sheppard |
| Andrews | Frazier | Lucas | Shipstead |
| Austin | George | McCarran | Smathers |
| Bailey | Gerry | McKellar | Smith |
| Bankhead | Gibson | McNary | Stewart |
| Barbour | Gillette | Maloney | Taft |
| Barkley | Glass | Mead | Thomas, Idaho |
| Bilbo | Green | Miller | Thomas, Okla. |
| Brown | Guffey | Minton | Thomas, Utah |
| Bulow | Gurney | Murray | Townsend |
| Burke | Hale | Neely | Tydings |
| Byrnes | Harrison | Norris | Vandenberg |
| Capper | Hatch | O'Mahoney | Van Nuys |
| Chandler | Herring | Pepper | Wagner |
| Chavez | Hill | Pittman | Walsh |
| Clark, Mo. | Holman | Reed | Wheeler |
| Connally | Holt | Reynolds | Wiley |
| Danaher | Johnson, Colo. | Russell | |
| Davis | La Follette | Schwartz | |
| Donahey | Lee | Schwellenbach | |

The PRESIDING OFFICER. Seventy-seven Senators having answered to their names, a quorum is present. The question is on the amendment offered by the Senator from Utah [Mr. THOMAS] on which the yeas and nays have been requested.

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. AUSTIN. I announce that on this question the Senator from California [Mr. JOHNSON] is paired with the Senator from Utah [Mr. KING]. If present, the Senator from California would vote "nay" and I am informed that the Senator from Utah would vote "yea."

The Senator from New Hampshire [Mr. TOBEY] is paired with the Senator from Illinois [Mr. SLATTERY]. If present, the Senator from New Hampshire would vote "nay" and I am advised that the Senator from Illinois would vote "yea."

Mr. MILLER. I have a pair with the Senator from North Dakota [Mr. NYE]. I am advised, however, that he would vote as I intend to, and I am, therefore, at liberty to vote, and vote "nay."

Mr. THOMAS of Utah. I have a general pair with the Senator from New Hampshire [Mr. BRIDGES]. I transfer that pair to the Senator from Virginia [Mr. BYRD], and will vote. I vote "yea."

Mr. CLARK of Missouri. My colleague [Mr. TRUMAN] is detained on important public business. I am advised that if present and voting he would vote "nay."

Mr. MINTON. I announce that the Senator from Washington [Mr. BONE] and the Senator from Utah [Mr. KING] are absent from the Senate because of illness.

The Senator from Arizona [Mr. ASHURST], the Senator from Virginia [Mr. BYRD], the Senator from Arkansas [Mrs. CARAWAY], the Senator from Idaho [Mr. CLARK], the Senator from California [Mr. DOWNEY], the Senator from Delaware [Mr. HUGHES], the Senator from Minnesota [Mr. LUNDEEN], the Senator from Maryland [Mr. RADCLIFFE], and the Senator from Illinois [Mr. SLATTERY] are detained on important public business.

The Senator from Louisiana [Mr. OVERTON] is unavoidably detained. I am advised that if present and voting he would vote "nay."

The Senator from Arizona [Mr. HAYDEN] is attending a committee meeting and is, therefore, unable to be present.

The result was announced—yeas 18, nays 59, as follows:

YEAS—18

| | | | |
|---|---|---|---|
| Bankhead | Glass | Minton | Smathers |
| Brown | Guffey | Murray | Thomas, Okla. |
| Bulow | Herring | Pepper | Thomas, Utah |
| Chavez | Johnson, Colo. | Russell | |
| Donahey | La Follette | Schwellenbach | |

NAYS—59

| | | | |
|---|---|---|---|
| Adams | Bilbo | Connally | Gerry |
| Andrews | Burke | Danaher | Gibson |
| Austin | Byrnes | Davis | Gillette |
| Bailey | Capper | Ellender | Green |
| Barbour | Chandler | Frazier | Gurney |
| Barkley | Clark, Mo. | George | Hale |

| | | | |
|---|---|---|---|
| Harrison | McKellar | Reed | Townsend |
| Hatch | McNary | Reynolds | Tydings |
| Hill | Maloney | Schwartz | Vandenberg |
| Holman | Mead | Sheppard | Van Nuys |
| Holt | Miller | Shipstead | Wagner |
| Lee | Neely | Smith | Walsh |
| Lodge | Norris | Stewart | Wheeler |
| Lucas | O'Mahoney | Taft | Wiley |
| McCarran | Pittman | Thomas, Idaho | |

NOT VOTING—19

| | | | |
|---|---|---|---|
| Ashurst | Clark, Idaho | King | Slattery |
| Bone | Downey | Lundeen | Tobey |
| Bridges | Hayden | Nye | Truman |
| Byrd | Hughes | Overton | White |
| Caraway | Johnson, Calif. | Radcliffe | |

So the amendment of Mr. THOMAS of Utah was rejected.

USE OF INSIGNIA OF VETERANS' ORGANIZATIONS

The PRESIDING OFFICER (Mr. JOHNSON of Colorado in the chair) laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 5982) for the protection against unlawful use of the badge, medal, emblem, or other insignia of veterans' organizations incorporated by act of Congress, and providing penalties for the violation thereof, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. McCARRAN. I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. McCARRAN, Mr. VAN NUYS, and Mr. DANAHER conferees on the part of the Senate.

EXTENSION OF ANTIPERNICIOUS POLITICAL ACTIVITIES ACT

The Senate resumed the consideration of the bill (S. 3046) to extend to certain officers and employees in the several States and the District of Columbia the provisions of the act entitled "An act to prevent pernicious political activities," approved August 2, 1939.

Mr. BROWN. Mr. President, I have at the clerk's desk an amendment which I hope the Senator from New Mexico will accept. I ask to have the amendment stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Michigan will be stated.

The LEGISLATIVE CLERK. At the end of the committee amendment it is proposed to add a new section, as follows:

Nothing in this act or in said act of August 2, 1939, shall be construed to prevent any person employed by the Federal Government, the State government, the municipal government, or any agency thereof, from becoming a bona fide candidate for any public office and engaging in any lawful political activity in furtherance of his candidacy and in support of his party in the event he takes a leave of absence without pay from his employment during the campaign.

Mr. BROWN. Mr. President, rule 14 of the Civil Service Rules, which is contained on a franked card sent out by the Senator from New Mexico, prohibits civil-service employees from becoming candidates for nomination or election to any National, State, county, or municipal office and would prohibit the officers and employees proscribed by this measure.

Mr. HATCH. Mr. President, will the Senator yield to me?

Mr. BROWN. I yield to the Senator from New Mexico.

Mr. HATCH. Of course, I am in no position to accept mandates. We are dealing with committee amendments. But so far as I personally am concerned, I have no objection to the Senator's amendment.

Mr. SCHWELLENBACH. Mr. President, will the Senator yield?

Mr. BROWN. I yield to the Senator from Washington.

SEVERAL SENATORS. Vote!

Mr. SCHWELLENBACH. Mr. President, I have not taken any time in this debate, and I do not think anybody should object because I ask a question.

I am rather disappointed that the Senator from New Mexico should accept this amendment. Certainly, if the philosophy that he has is a correct one, there should be nothing to which he would more object than a person who has contacts with a political organization taking a leave of absence during the period of the campaign and then coming back and getting his job again. It seems to me the Senator from New Mexico certainly should object to this amendment.

Mr. BROWN. I thing the Senator from Washington perhaps misapprehends the meaning of the amendment. It would not permit an official of the Government to take a leave of absence and participate in a political campaign unless he was a bona fide candidate for office. Then he could participate, of course, in his own campaign, and in the campaign of his political party which was conducted at the same time his own campaign was in effect.

Mr. SCHWELLENBACH. Mr. President, will the Senator yield?

Mr. BROWN. Yes; I yield to the Senator.

Mr. SCHWELLENBACH. I know of nothing which might involve more impure politics than for a man who occupies an executive position, who has under him a large number of employees, to take a leave of absence with the understanding that he is going to run for office, and then come back and again hold his position if he is defeated in the election. I am astounded that the Senator from New Mexico is willing to agree to the amendment.

Mr. BROWN. Of course, I am not in agreement with a good many of the propositions the Senator from New Mexico has advanced here; but it seemed to me that when we went so far as absolutely to prohibit a man from being a candidate for office, no matter if he was willing to lay aside his employment for the entire period of the campaign, we were going away beyond what the Senate and the House ought to do.

Mr. MILLER. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from Arkansas?

Mr. BROWN. I yield to the Senator.

Mr. MILLER. I did not clearly understand the provisions of the amendment. Would it apply only to State, county, and municipal employees?

Mr. BROWN. To any employee of the Federal Government, the State governments, the municipal governments, or any of the agencies thereof.

Mr. MILLER. That is all right.

Mr. CLARK of Missouri. Mr. President, will the Senator yield for a question?

Mr. BROWN. I yield.

Mr. CLARK of Missouri. In the case of the W. P. A., the Senator's amendment would simply permit a W. P. A. administrator, let us say a State administrator, to take a leave of absence, run for Governor, Senator, or any other office he pleased, and in the meantime hold over the persons who are in the W. P. A. the threat that "As soon as this election is over I shall be back and be over you, and you had better watch your step in the meantime."

Mr. BROWN. The Senator is very unfair in the way he puts his question.

Mr. CLARK of Missouri. That would be the effect of the amendment.

Mr. BROWN. There is nothing in the amendment which permits a man to make a threat of any kind; and the present law amply protects any employee of the W. P. A. or any person who is on relief from coercion or threats of any kind.

Mr. CLARK of Missouri. In the case of a poor devil who is employed as a timekeeper, or who has come to the W. P. A. from the relief rolls, and who knows that the man who has been his boss is going to be his boss again unless he is elected to office as a candidate, does the Senator think he is going to feel perfectly free in his action because somebody says, "You shall not be coerced?" How does he know what the W. P. A. director is going to do when he comes back?

Mr. BROWN. I should not have the slightest objection, if the Senator from Missouri should propose it, to exempting officials of the W. P. A. from the provisions of this exception, because we especially legislated regarding them in the original Hatch Act; but I believe that any citizen of the United States has a right to aspire to political office, and I do not think a professor in the University of Michigan, who probably has no income other than his salary, ought to be denied

the right to run for office if he is willing to lay down his office during the period that he is a candidate.

Mr. MINTON. Mr. President——

Mr. BROWN. I yield to the Senator from Indiana.

Mr. MINTON. Does not the Senator from Michigan think the illustration given by the Senator from Missouri is more apparent than real? Because a man who happens to be the administrator of W. P. A. over a State is running for office, the Senator from Missouri seems to indicate that that fact in itself is a warning to everybody who works under him that they have to do what the administrator wants them to do, and go and vote for him on election day. How is the administrator going to know how they vote when they get in the booth and pull the curtain behind them?

Mr. CLARK of Missouri. If the Senator from Michigan will permit me, that is the same old argument that was made against the railroads threatening their employees back in 1896. I can remember the Democrats going around and telling the railroad employees, "The officials of the railroads will not know how you vote," but it was impossible to make the railroad employees believe that they would not find out; and it will be impossible to make the W. P. A. employees believe that there will not be a leak, and that the man who has in his absolute control their means of livelihood may not be able to find out how they voted. That condition applies not only to the W. P. A. but all up and down the line to Government offices.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. HATCH. I think the position taken by the Senator from Missouri, especially about the W. P. A., is absolutely correct; and I should very much like to see the Senator from Michigan amend his suggested amendment and certainly exclude any official of the W. P. A.

Mr. BROWN. I realize that we have applied a different rule to relief workers and relief employees of the Government than we have to others. I was particularly aiming at State officials, municipal officials, county officials, and Federal employees who are not on the relief rolls.

I am perfectly willing to accept an amendment exempting from the exception in the act officials who I think are referred to in section 3 of the existing Hatch law.

Mr. SCHWELLENBACH. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. SCHWELLENBACH. Is there any real distinction, so far as the W. P. A. is concerned? Is not the distinction whether these people have employees under them or not? If the Senator would say that we would make an exemption of those who do not have more than five employees under them, or something of that kind, I would not object to the amendment; but I happened to run in an election against a couple of men who were in office, and I know what their employees did for them, because they knew what their bosses would do when they got back into their jobs after they lost the election. I may be personally prejudiced in the matter because I had such an experience, but I do not think anyone occupying one public office should be privileged to run for another office. I do not say we should write anything into the law which would lay down that rule, but I do say, on the other hand, we certainly should not make an exception in the proposed act and say that it is perfectly proper for someone occupying a public office to take a leave of absence and then get his job back when he meets defeat in the election.

Mr. BROWN. We have classified the W. P. A. relief workers in the original Hatch Act very differently from the way we have classified the general employees of the Government of the United States. For instance, a W. P. A. worker may not make any contribution, voluntary or involuntary, to a political campaign, while all other Government employees may make voluntary contributions.

Mr .CONNALLY. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. CONNALLY. Is not the distinction the Senator says we have drawn a rather shadowy one? There may be a collector of internal revenue who has under him perhaps 75 or 200 employees. Then there may be a W. P. A. official who has a good many W. P. A. employees under him. What have those employees? In each case they have jobs, have they not? That is all they have—jobs which they are holding by virtue of the appointment or selection of their chief. So I do not see anything which differentiates the W. P. A. man who has a poor job from some other employee who has a good job.

Mr. BROWN. The Senator appreciates the fact that in the case of the W. P. A. employee the relief funds of the Treasury of the United States are being used.

Mr. CONNALLY. I grant that.

Mr. BROWN. While the other officials are officials who are conducting the general affairs of the Government of the United States, they do not have a large number of employees under them, certainly not nearly so large a number as those upon the W. P. A. rolls. While my amendment was originally drawn to give every Government employee, every State employee, every municipal employee the right to run for public office if he took a leave of absence, yet I was willing, in order to satisfy the Senator from Washington and the Senator from New Mexico, to leave out executives in the W. P. A.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. BARKLEY. I think there may be legitimate objection to exempting any particular class of employees, because there may be other supervisory and administrative officials who have just as much power over their subordinates as has any supervisor or administrator of the W. P. A. Would the Senator from Michigan be willing to accept an amendment along this line, exempting from the provisions of his amendment those who occupy administrative and supervisory positions, so that it would take away, even during the period of suspension from their own employment, while they are candidates, the implied fear, the intellectual reaction of the voter to what might happen to him if the supervisory officer should be defeated and should return to his original employment? In that case we would not be picking out any particular class of employee for exemption, but we would be picking those who might exercise influence over others. I offer that to the Senator merely as a suggestion.

Mr. BROWN. I am very happy to have the suggestion from the majority leader. I do not know just to whom it would apply. For instance, a deputy highway commissioner in the State of Michigan might aspire to the office of highway commissioner, which is a perfectly logical ambition for him to have. If the activity were connected with the construction of Federal-aid highways in the State of Michigan, he would be prohibited, under the present law, and under the proposal of the Senator from New Mexico, from becoming a candidate for higher office unless he gave up what amounts to a civil-service position, which he is fairly certain to hold for a considerable length of time. Unless he were willing to give that up, he could not be a candidate.

Likewise, taking the case of a gentleman whom the Senator from Kentucky knew, of whom I spoke the other day, the famous dean emeritus of our college of engineering at the University of Michigan, Dean Cooley, who was a candidate for the United States Senate in 1930. I think he should be permitted to be a candidate for office if he is willing to retire from his position for the time being. So I do not know just how far the suggestion of the Senator would go.

Mr. BARKLEY. Let me say to the Senator in that connection that I doubt very much whether the president of the university or a teacher in a university would have such control over those under him—the students, or the professors or teachers—as really to make it necessary to worry much about it.

Mr. BROWN. I think that is true.

Mr. BARKLEY. This movement has not grown up because of any complaint connected with the universities or the teaching profession.

Mr. BROWN. But the dean of the school of engineering would certainly be an administrative officer.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. BROWN. I do not believe the Senator from Kentucky has concluded his interruption.

Mr. BARKLEY. He would not, under the Senator's amendment, or the suggestion involving the W. P. A., be eliminated. He would not be exempted even under that, unless the W. P. A. were contributing to the activities of the college or the university with respect to its engineering activities. That would happen only when they were building a new structure, as many of the universities have done, including the university of my own State; but the W. P. A. has very little to do in their general engineering activities, I understand.

Mr. BROWN. I do not think the W. P. A. exception would affect the head of the school of engineering in any way.

I now yield to the Senator from Wyoming.

Mr. O'MAHONEY. Mr. President, I rose to see if I could get clear in my own mind just how far the Senator from Michigan desired to go with his amendment and what exemptions he would be willing to make from the effect of his amendment. My understanding is that he stated a moment ago that he saw a sound reason for excluding from the provisions of his amendment persons who were directing W. P. A. work. Did I understand him correctly?

Mr. BROWN. I should like to utter merely a sentence or so in that connection. I see some reason for it, and I am impelled to agree with the Senator from New Mexico, who made the suggestion, because in the original Hatch law he has differentiated between relief workers and the supervisory personnel.

Mr. O'MAHONEY. May I make a suggestion to the Senator?

Mr. BROWN. I should be very glad to have the Senator's suggestion.

Mr. O'MAHONEY. That is the purpose for which I rose; first, dealing with the W. P. A. administrative employee; and second, with regular civil-service employees. It is my understanding that under the present civil-service rule a civil-service employee who is holding a position without term——

Mr. BROWN. Let us say a postmaster.

Mr. O'MAHONEY. That is to say, holding a position for life, is not permitted to take leave of absence and become a candidate. Would the Senator object to inserting at the proper place in his amendment some such language as this, "Except persons holding regular United States civil-service positions and persons employed in a supervisory or administrative capacity and paid out of any Federal appropriation for relief or work relief"?

Mr. BROWN. What does the Senator from New Mexico think of that suggestion?

Mr. HATCH. Mr. President, I think the suggestion made by the Senator from Wyoming is a good one if the amendment is to be adopted. Would the Senator desire to accept it?

Mr. BROWN. It sounds logical to me. I had not thought of civil-service employees, except postmasters.

Mr. GEORGE. Mr. President, let me suggest that if it is desired to do what I understand the Senator from Michigan wishes to do, he could except all State, county, and municipal officers who are affected by the act and permit them to become candidates for office. But, put in the broad way in which it is now suggested, the amendment is exceedingly vicious. It has all the vice that is sought to be eliminated by the Hatch Act and under the philosophy of that act, which is to secure free elections. It is not a question of purity in politics; we will never have that. But we can make elections reasonably free from official coercion. We can save the very basis of the democratic process by preserving the freedom of elections.

There is an objection to saying that a State, county, or municipal officeholder—a member of a school board, if you please—cannot become an active candidate for office in a State because he has been engaged in administering a project to which the Federal Government has contributed. But I think the Senator could do all he desires by relieving from the ban every State, every county, every municipal officer, or the officer of any political subdivision within a State, leaving the prohibition to remain against the Federal officer. Then we would not be troubled with the question of the civil service, and we would not be troubled with any other question such as that concerning W. P. A. administrative officers.

Mr. BROWN. I thank the Senator from Georgia. I think that solves several questions.

Mr. GEORGE. I do not believe there would be any objection to the amendment if it were restricted in that way.

Mr. BROWN. I did not have Federal officials primarily in mind.

Mr. GEORGE. I understand that.

Mr. BROWN. And all through the debate I have been worried over the city and county employee—the small employee.

Mr. GEORGE. I think the Senator is quite correct. I think his amendment should be adopted.

Mr. HATCH. I may say to the Senator from Michigan in that connection that I wish he would not press his amendment at this time, but that we take time to try to work out something different, because a while ago, when I said I would not object to the amendment, I did not realize how far-reaching the language was, and all it might accomplish. After listening to the discussion on the floor, and visualizing what could take place under the amendment, absolutely contrary to the very thing I have been trying to do, I feel that if the amendment is left in its present shape, or even with the suggested modifications, I should be compelled to object to it and ask that it be defeated. If the Senator from Michigan would defer this amendment I believe we could perhaps work out provisions which would accomplish the things he wants to do, but not destroy what all of us are trying to accomplish.

Mr. O'MAHONEY. Mr. President, I believe the suggestion of the Senator from Georgia would meet the situation. Certainly it would cover the case brought up in my suggestion.

Mr. BROWN. I will say to the Senator from New Mexico that if I applied the suggestion of the senior Senator from Georgia, the amendment would read as follows:

> Nothing in this act or in said act of August 2, 1939, shall be construed to prevent any person employed by the Federal Government, the State government, the municipal government, or any agency thereof, from becoming a bona fide candidate for any public office and engaging in any lawful political activity in furtherance of his candidacy in the event he takes a leave of absence without pay from his employment during the campaign.

Mr. HATCH. Mr. President, in this connection I do not want to change existing law. I would rather wait and see what we can do about the matter under discussion. Therefore I suggest to the Senator that action on the amendment be not pressed by him at this time.

Mr. BROWN. I do not desire to press action on the amendment against the objection of the Senator from New Mexico.

Mr. MINTON. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. MINTON. I think the Senator from New Mexico has advanced a sound argument. I think we all are coming to the conclusion that the bill ought to be recommitted. It is becoming so confused, so difficult to understand, that I think we ought to recommit the bill so as to give it more study.

Mr. HATCH. Mr. President, will the Senator yield to me for a moment?

Mr. BROWN. I yield.

Mr. HATCH. I am not confused, and it is not difficult for me to understand my position. The bill as it is written suits me well. I have been trying to work with Senators possibly to get a vote on the bill and dispose of it, and I have tried not to be unreasonable in my attitude. The bill is perfectly all right with me. I am ready to vote now.

Mr. SCHWELLENBACH. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. SCHWELLENBACH. I should like for a moment to challenge the statement of the Senator by advancing one reason why there should be an exception in the case of educational institutions. It happens, so far as I am personally concerned, that prior to the time I filed for the Senate I occupied an administrative position in our State university. The first thing I did when I filed for the Senate was to resign from that position. I think it is extremely important that no one connected with an educational institution be permitted to run for public office.

One thing we must do is to keep our educational institutions out of politics. I know I could not control any votes on the faculty of that university, but I resigned because I believed I had no right to drag the university into politics.

Mr. BROWN. If the Senator felt he should resign as a trustee of the University of Washington in order to run for the Senate because there might be some influence on his part upon the officials and the members of the faculty of the university——

Mr. SCHWELLENBACH. No; that was not it. I did not delude myself that I had very much influence.

Mr. BROWN. Let me finish. Why should not the Senator resign from the United States Senate before he becomes a candidate for reelection to the United States Senate? It seems to me the same reasoning applies in both cases.

Mr. SCHWELLENBACH. No; there is a difference. I did not resign because I thought I had influence over the faculty, but because I knew that that institution should not be dragged into politics, and that if I kept my position, or if I took a leave of absence, I was going to drag it into politics.

Mr. BROWN. I happen to be a trustee of the Methodist college from which I graduated in 1911.

Mr. SCHWELLENBACH. That is not a tax-supported institution, is it?

Mr. BROWN. In part it is. It receives considerable aid from the N. Y. A. and from other Government funds, and there has, I am certain, never been the slightest suspicion that simply because I was a trustee of that institution, that college, my alma mater, was dragged into politics. If a regent or a trustee of the University of Washington, or a teacher on the faculty tried to become a candidate for the office of mayor of the city of Seattle, Wash., or for Senator of the United States, or even President, he certainly would not thereby drag that institution into politics.

Mr. SCHWELLENBACH. Does not the Senator believe if he had been occupying the same position in the University of Michigan that he occupied in the private institution, that the whole university would have been dragged into the political campaign?

Mr. BROWN. As I have instanced several times, the dean emeritus of the college of engineering was the Democratic candidate for the United States Senate in the year 1930, and certainly the great university of Michigan was not involved in that political campaign.

Mr. SCHWELLENBACH. There is much difference between a dean emeritus, who is for all practical purposes retired, except that he draws perhaps an amount equal to half of his salary, or something like that, and has an honorable connection with the institution, and someone who is actively connected with the institution, and who, if he loses his political battle, will not have ended active connection with the institution after the election is over.

Mr. BROWN. I recall, if I am not mistaken, that Prof. Marion LeRoy Burton, president of the University of Minnesota and afterward president of the University of Michigan, was once the keynote speaker at a political convention. That did not drag the university into politics.

I think we are going altogether too far with this matter. We seem to forget that we still have a secret ballot in the United States, and no matter how a person may talk, he can vote without anyone knowing how he votes.

Mr. President, I yield to the suggestion of the Senator from New Mexico, and if he is unwilling to accept this amendment, I am perfectly agreeable to let it go over until tomorrow.

Mr. HATCH. I may say to the Senator that from the conversations I have had with many Senators who are interested, I am confident we can work out something which will be agreeable.

Mr. BROWN. Very well. I temporarily withdraw the amendment, Mr. President, and will ask for its consideration tomorrow.

Mr. McNARY. Mr. President, what was the last statement made by the Senator from Michigan?

The PRESIDING OFFICER. The Senator from Michigan temporarily withdraws his amendment.

Mr. BARKLEY. Mr. President, I think the time has come when we ought to arrive at an agreement with respect to voting. We all had hoped, and I am sure I speak for those opposing the bill, as well as those who are supporting it, that we would have disposed of the proposed legislation by this time. Obviously we cannot dispose of it today; but I think we ought to dispose of it tomorrow, and if we can dispose of it tomorrow, I should be disposed to adjourn over the week end. I do not offer that as an inducement but simply to say what is on my mind.

Therefore I ask unanimous consent that not later than 5 p. m. tomorrow the Senate proceed to vote on the bill and all amendments and all motions pertaining thereto, and that no amendment shall be offered which has not been sent to the desk and read for the information of the Senate not later than 4:40 p. m. tomorrow.

Mr. THOMAS of Oklahoma. Mr. President, reserving the right to object, at the earliest possible date I intend to move to strike section 15 from the bill. My reasons are that the section is clearly unconstitutional. I am not sure that it makes much difference, but I desire the record to show that in the opinion of at least one Member of the Senate, section 15 as now printed in the bill is clearly unconstitutional.

Mr. McKELLAR. Make it two Members of the Senate.

Mr. THOMAS of Oklahoma. This section pretends to delegate congressional power. The decisions are all one way. The Congress may delegate congressional power within certain limitations, but the limitations must be clearly defined. There is no support in the Supreme Court decisions for the suggested rule. Section 15 delegates to the Civil Service Commission power even to make statutory law and to provide penalties. So before the unanimous-consent agreement is reached I shall desire enough time to make my motion and to make a record.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. BARKLEY. The Senator's motion would be disposed of on the question of agreeing to the committee amendment. Section 15 is a committee amendment, and the question would be on the adoption or rejection of that amendment. The agreement which I have asked would not in any way interfere with the Senator's plan. It would not be necessary for him to move to strike out the section, because automatically the question would be on agreeing to the committee amendment.

Mr. THOMAS of Oklahoma. Mr. President, the effect is exactly the same.

Mr. BARKLEY. Yes.

Mr. THOMAS of Oklahoma. I am advised that a substitute will be offered for section 15. I have examined the substitute only slightly; but from my examination the substitute is not in proper form, in that it refers to the wrong place in the civil-service rules. It refers to an Executive order which extends the classified civil service and does not refer to the rules promulgated by the President. So some little discussion will be required to get this matter in shape.

I shall also hold, if I have the opportunity—as I plan to have—that even though section 15 should be stricken from the amendment and the new section substituted, that would not cure the defect of which I shall complain.

The PRESIDING OFFICER. Is the Chair to understand that the Senator objects to the unanimous-consent request?

Mr. THOMAS of Oklahoma. I shall object unless ample time is afforded to discuss section 15. I have no objection to an agreement with respect to all other parts of the bill.

Mr. BARKLEY. I am not asking at this time any limitation on debate.

Mr. THOMAS of Oklahoma. Mr. President, the Senator made a request to vote at or before a certain time. A request to vote at or before a certain time certainly puts a time limitation on every amendment.

Mr. BARKLEY. It imposes an aggregate limitation. After 5 o'clock there could be no debate, but that would not limit any Senator who obtains the floor in discussing an amendment which he offers or opposes.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. McKELLAR. As I understood the request of the Senator, amendments might be offered until 4:40 p. m. tomorrow. If between now and 4:40 tomorrow afternoon a Senator should offer an amendment to include in the bill the antilynching bill—which would be in order—the agreement would limit debate on that amendment as well as on any other.

Mr. BARKLEY. That is true. However, I will say to the Senator that I have every reason to believe that such an amendment will not be offered. I do not think it will be.

Mr. McKELLAR. I do not think it will be, either. I hope it will not be, because, unless we have an agreement that it will not be, I am unwilling to agree to the request of the Senator.

Mr. BARKLEY. If we are to allow that contingency to prevent an agreement to vote on the bill, I do not know any way by which we can obtain an agreement, unless the Senate is willing to agree by unanimous consent that it shall not be in order for any Senator to offer that proposal as an amendment to the bill.

I do not know whether or not the Senate would agree to such a stipulation. I am perfectly willing to ask for it if it can be agreed to, because I do not think the antilynching bill ought to be offered as an amendment to the pending bill. I think that proposal should be considered on its merits, and it seems to me it does not conduce to the impartial discussion of that proposal to make it a football to be thrown in here in an effort to defeat the proposal now pending. I do not know whether or not I could obtain unanimous consent with respect to that proposal, but if I could, I certainly should be glad to do it.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. CONNALLY. I will say to the Senator that I have no intention of offering such an amendment to the pending bill. I wish to suggest to the Senator a plan which might be adopted. I do not care to delay the bill. Why does not the Senator from Kentucky make a unanimous-consent request that all amendments shall be submitted by 3 o'clock tomorrow, and that no amendments offered after that time shall be considered, and at that time renew his request for a limitation of debate thereafter? That would solve the problem without putting the Senate in the position of having to enter into an agreement about any particular kind of amendment. Some of us will diligently look into the amendments then pending, and if there is no objectionable amendment we will agree to limit debate.

Mr. McKELLAR. Mr. President, I hope neither the Senator from Texas nor any other Senator will infer from the question I asked a few moments ago that I am in favor of such an amendment, because I am not.

Mr. BARKLEY. Mr. President, I renew my request made a while ago, with the proviso that if the antilynching bill shall be offered as an amendment to the pending bill, the agreement to vote at 5 o'clock tomorrow shall be null and void.

Mr. THOMAS of Oklahoma. Mr. President, may we have the request stated again?

Mr. BARKLEY. I ask unanimous consent that not later than 5 o'clock p. m. tomorrow the Senate shall proceed to vote on the bill and all amendments thereto, and that no amendment shall be offered which has not been read for the information of the Senate not later than 4:40 o'clock; with the proviso that if the antilynching bill shall be offered as an amendment to the pending bill this agreement shall lapse and be null and void. Several Senators have feared that at the last minute, after debate is concluded, some amendment may be offered which no one can explain. So we propose to vote at 5 o'clock p. m.

Mr. THOMAS of Oklahoma. Mr. President, unless section 15 shall be eliminated, I shall be forced to object.

The PRESIDING OFFICER. Objection is heard.

Mr. BARKLEY. I ask unanimous consent that after the hour of 2 o'clock p. m. tomorrow no Senator shall speak more than once or longer than 20 minutes on the bill or any amendment thereto.

Mr. BILBO. Mr. President, I am as anxious as is my good friend the senior Senator from Georgia [Mr. RUSSELL] to take up the agricultural appropriation bill. I do not want to be put in the attitude of postponing action on that important bill. The farmers are very anxious about it. However, I have an idea that somewhere in the proceedings an amendment will be offered which will require considerable discussion. I have seen a suggested copy of such an amendment, and if any attempt is made to adopt that amendment I shall be forced to occupy a little time.

I understand a motion will be made, before we conclude the debate, to recommit the bill to the committee for its perfection. I think that motion will require a review of the whole gamut of the amendments and discussion which we have had heretofore. I do not see how we could possibly agree to the suggestion made by our leader to act on the bill tomorrow.

Mr. BARKLEY. Mr. President, the Senator evidently misunderstood me. I was not asking that we act on it at 2 o'clock. The request I made was that beginning at 2 o'clock there should be a limitation of 20 minutes on the bill and 20 minutes on each amendment.

Mr. BILBO. That is the point I was making. The amendment which is on the way, and also the motion to recommit, are of such character that it would take longer than the time fixed by the leader for a Senator to express his views on whether or not the bill should be recommitted, or to elaborate and to meet the objections to the amendment which I know is coming; so I object.

The PRESIDING OFFICER. Objection is heard.

Mr. BARKLEY. Mr. President, I move that the Senate take a recess——

Mr. RUSSELL. Mr. President, will the Senator withhold the motion?

Mr. BARKLEY. I withhold it.

Mr. RUSSELL. I hope the majority leader, seeing the position in which we are now placed with respect to the bill, which I anticipated on Monday when I endeavored to bring up the agricultural appropriation bill, will either make some unusual efforts to bring this bill to a conclusion by holding longer sessions, or lay it aside in order that the agricultural appropriation bill may be considered.

Mr. BARKLEY. I am about to make a motion that the Senate take a recess until 11 o'clock tomorrow. I think I have made every possible reasonable effort to expedite consideration of the bill. Senators on both sides of the question tell me that they want to bring it to a disposition, vote on it, and get through with it; yet when I offer a suggestion as to some method by which that can be done, I cannot obtain an agreement. If we cannot obtain an agreement to vote on the bill tomorrow, or to limit debate, I intend to move that the Senate take a recess until 11 o'clock tomorrow. If the Senate is willing to meet at 11 o'clock, I hope we can make some headway tomorrow.

Mr. RUSSELL. Mr. President, I regretted on Monday that I could not share the Senator's optimism that the bill would be disposed of by Tuesday afternoon of this week. I do not wish to be too importunate——

Mr. BARKLEY. The Senator is familiar with the old speech which we used to learn in our school days. It began:

It is natural for youth to indulge in the delusions of hope.

I did indulge in some delusions of hope on Monday as to the length of time required to complete consideration of the bill. I was a little overoptimistic. However, I think we can finish it tomorrow. I think it is almost the universal desire of Members, regardless of their position on the bill, to finish it tomorrow; and if I cannot obtain an agreement—and it seems that I cannot—I intend to ask the Senate to meet at 11 o'clock tomorrow.

Mr. RUSSELL. Mr. President, I have no objection to that course. I hope tomorrow will see the conclusion of the debate and a vote on the pending bill, because certainly delay in the consideration of the agricultural appropriation bill is not calculated to enhance the chances of final adoption of the important Senate amendments to that measure.

Mr. REYNOLDS. Mr. President, I suggest to our able leader that we meet every morning at 10 o'clock and remain in session until 12 o'clock midnight. That would give every Senator sufficient time in which to discuss the various features of the bill.

Before we recess, I should like the opportunity to submit a few remarks for the benefit of the RECORD.

Mr. SMITH. When?

Mr. REYNOLDS. Now. I dislike to detain Senators. I know they are all tired; and, so far as I am concerned, they may proceed to their respective offices. I wish to put into the RECORD some remarks on what I consider a very important matter, in view of the fact that one of the most able men in the Government service has been charged with some things which he denies. I refer to Mr. J. Edgar Hoover. I should like to submit my remarks before the Senate adjourns, for I am afraid I shall not have an opportunity tomorrow.

Mr. BARKLEY. Mr. President, it is entirely agreeable to me for the Senator to do that.

Mr. REYNOLDS. I thank our leader, Mr. President.

The PRESIDING OFFICER. The Senator from North Carolina is recognized.

### J. EDGAR HOOVER

Mr. REYNOLDS. Mr. President, during the past few days I have read and have heard attacks upon an organization which I have greatly admired for a number of years, and which I believe has served the country splendidly in a time of stress. I cannot forget the self-sacrificing, patriotic battles of these men with desperate criminals of all kinds and types. They smashed a country-wide kidnaping ring. They have placed behind bars enemies of society who threatened the safety of law-abiding, peaceful citizens in all parts of the country. We are not going to forget all these benefits which have been rendered by these men, and to quibble in a fashion that at least might be termed ungrateful as to whether they have observed all of the rules prescribed by those whose concern appears to be more with the rights of criminals than with the protection of our citizens.

These criticisms have gone so far as even to intimate and, in some cases, definitely state that the representatives of the Federal Bureau of Investigation have extended their activities to spying upon Members of Congress. I am informed upon the best possible authority that this is untrue. As indicating the plain, unvarnished facts, I desire to read a statement issued yesterday by J. Edgar Hoover, Director of the Federal Bureau of Investigation, through the office of the Attorney General of the United States, which I hope will conclusively and finally put an end to these statements which have been heard in recent days.

As I have just stated, we have recently heard many rumors and statements in reference to the activities of Mr. Hoover. We have heard some criticisms directed to Mr. Hoover because he happened to be in Florida; and because, while there, he chose the place that suited his desires to reside, criticism even on that point has been heaped upon his shoulders.

If there is any man in the employment of the Government of the United States who really deserves some recreation and relaxation, I think that man is J. Edgar Hoover. I desire to say to you, Mr. President, and to the other Members of this body, that I do not know of a single man within the employ of the entire Federal Government anywhere in this country who, in my opinion, is more honest, more efficient, more courageous, or braver than J. Edgar Hoover. He has thrown the fear of God into the hearts of the criminals of the country. If it had not been for his courage, if it had not been for the fine training he was fortunate in receiving over the years before he was made Director of that Bureau, the country today would be worried as it was for a long, long time by kidnapers and criminals of all sorts throughout the land.

In reference to Mr. Hoover, I have here a statement which was issued on yesterday by the Department of Justice, dated March 13, 1940, reading as follows:

> Recently, statements have been reported in the press and have been made otherwise indicating that representatives of the Federal Bureau of Investigation have indiscriminately tapped the telephones of Members of Congress. This is untrue. At no time has the telephone of any Member of Congress been tapped by any representative of the Federal Bureau of Investigation since I have been Director of the Bureau.
>
> Statements have also appeared to the effect that wire tapping has been used by representatives of the Federal Bureau of Investigation in violation of existing laws. At no time has there been a single instance of any action of this kind on the part of any representative of the Federal Bureau of Investigation since I have been Director of the Bureau.
>
> Further allegations have been made to the effect that representatives of the Federal Bureau of Investigation have tapped wires indiscriminately and in violation of fundamental civil rights. At no time since I have been Director of the Bureau has this been done.
>
> In 1939 I refused to endorse proposed legslation, which had been introduced in Congress, designed to legalize wire-tapping evidence obtained by Federal officers.
>
> The Federal Bureau of Investigation has utilized wire tapping as a method of securing information of investigative value only in extraordinary situations and in an entirely legal manner, where either a human life was at stake or where the activities of persons under investigation were of such an aggravated criminal nature as to justify the use of extraordinary means to detect their activities and cause their apprehension.

Mr. President, that is the statement of Mr. J. Edgar Hoover himself Mr. Hoover absolutely denies that he ever tapped the wires of any Member of Congress, and I assume from his statement that he does not intend ever to do so; but he states that there have been times when he was investigating criminal cases when he felt it necessary for the ends of justice to tap wires, as very frankly mentioned by him.

Mr. President, I know of no other man in the United States who could adequately fill the place that is so ably occupied by Mr. J. Edgar Hoover. This is the time of all others in the history of this country when we need in that position a man of his character, his courage, his ability, and his experience. Particularly will we be convinced of that fact when we recall that prior to the declaration of war in Europe on September 3 the Bureau of Investigation of the Department of Justice received on an average only 250 complaints of espionage and sabotage annually, whereas since then Mr. Hoover's Bureau, with its limited force of law-enforcement officers, now receives on an average 250 such complaints daily. In other words, his Bureau of the Government now receives as many complaints of sabotage and espionage every day as it did every year prior to the declaration of war in Europe on September 3. Despite the fact that his Bureau has been flooded with thousands upon thousands of these complaints, I dare say that Bureau and the Department of Justice have carried on better under this condition than any other department of the Government. Not once have we heard J. Edgar Hoover or any man connected with his Bureau really complain in reference to anything.

I think the American people owe J. Edgar Hoover a vote of thanks for that which he has accomplished in this country in the protection of the American people, and I say again that of all times in the history of our Nation we were never more in need of a man of his character, ability, courage, and experience than now, as we realize when we recall that last year there was issued by the Attorney General of the United States a statement in pamphlet form in which he said that crime today costs the American taxpayers $17,000,000,000 annually, and when we recall that the same report included a statement to the effect, according to my recollection, that there are

today in this country more than 4,500,000 people engaged in the commission of crime. To me that statement is an appalling one, for, according to that report, there are today more people engaged in the commission of crime in this country than were in our uniform and under arms at the time of the armistice, on November 11, 1918.

Mr. President, this afternoon as I sat in this Chamber I was reading a copy of the Washington Daily News, and I noted an article entitled "Getting Results," by Mr. Raymond Clapper. I read the first paragraph:

There is one thing that you can't take away from J. Edgar Hoover, Chief of the F. B. I. Since the Lindbergh antikidnaping law was passed there have been, at a recent count, 163 kidnapings. All except 2 of these have been solved.

I became interested when I read that, because I recalled that I had observed in the columns of the local press statements which had been made in reference to the activities of the members of the F. B. I. I then read the balance of the article from the pen of Mr. Clapper, and I wish to read it to those of my colleagues who are interested in law enforcement in this country, because I believe the American people are vitally interested in that subject, and I believe I can say unhesitatingly that the great majority of the American people are 100 percent behind J. Edgar Hoover, because they believe that he is not permitting politics of any sort to interfere with the activities of his Bureau, and they commend him for that.

Insofar as the Hatch bill is concerned, we do not have to extend the law to the Federal Bureau of Investigation, because, so far as I have been able to learn, there is no politics there. Those fellows are busy night and day, looking after the interests of the American people and endeavoring, as best they can, to stamp out crime and to protect the homes of the fathers and the mothers of this country.

Mr. Clapper's article continues:

There are a good many people in Washington who don't like Mr. Hoover. Around the Justice Department he is considered high-handed and difficult to work with.

I have never heard anyone say that he did not like Mr. Hoover. There are naturally a great many people who are envious of Mr. Hoover, because he is a young man, he is a fine-looking man, he has an active mind, and has performed good service. It is true that he is getting an unusually large amount of beneficial publicity through the magazines and the newspapers of the country, but it is well that he does, and I hope that he will write more articles to be read by the youth of our land, because in every one he cites proofs to them that crime does not pay. I do not know of any man in this country who is serving as a greater inspiration to the youth of our land than is J. Edgar Hoover.

Mr. Clapper proceeds:

Around the Justice Department he is considered high-handed and difficult to work with.

There are times when any man who is thoroughly efficient is somewhat difficult to work with. It may be that Mr. Hoover has his mind always on his business, and has no time to discuss anything that is not considered by him directly connected with the business of his bureau.

Mr. Clapper continues:

Recently he had a run-in with the Civil Service Commission—wanted to pick his own men. His men have done good work and that is the main purpose of hiring them, so there isn't much point in being too excited about that.

I quite readily agree with Mr. Clapper. With the organization Mr. Hoover has built up, with the fine reputation he has obtained for that organization, I think he should be entitled to pick men whom he knows, because he is experienced in the enforcement of the laws, and he knows the type of men who must be engaged in this most dangerous work.

The article continues:

God knows the Government has enough inefficiency in it—

I agree with Mr. Clapper.

God knows the Government has enough inefficiency in it, chair warmers, time killers. Mr. Hoover has never been accused of inefficiency, and when you have a bureau that is getting results there ought to be some prejudice in its favor.

It is said Mr. Hoover is a publicity hunter. Well, you'd have to fire a lot of people in Washington if that is going to be a crime.

That is certainly true.

Furthermore, in the kind of work the F. B. I. is doing it doesn't do any harm for the word to spread around the underworld that the G-men are good.

Mr. President, I say the more publicity that is given to the courage and the efficiency of the G-men the better it will be for the Department of Justice and the Bureau of Investigation, and the more protection, as a matter of fact, will the American people have against the activities of these criminals.

The chances are that the enormous publicity which the F. B. I. has received has been a real crime preventive.

That, I think, is true.

Mr. Hoover irritated the press in Miami recently because he would not give interviews and have his picture taken. He was panned there because he ducked publicity.

As to how much he worked at Miami, I don't know. He was taking some vacation and he had some agents there looking over the racketeers who infest Florida during the winter season. He didn't make any real catch there. Whether he picked up any good leads may be something else.

Of course, we do not know about that. Perhaps he was working upon something of which we have not been advised.

Mr. Clapper continues:

The Detroit cases, involving apparent denial of civil rights to persons arrested for having helped the Spanish Loyalist cause, don't look very good. Mr. Hoover says that in making the arrests he only carried out the orders of Frank Murphy, then Attorney General, and that the treatment of the prisoners while in jail was in the hands of local authorities, not the F. B. I.

In respect to that, the Attorney General of the United States at that time was Mr. Frank Murphy, and it is alleged that Mr. Murphy, the Attorney General, instructed Mr. Hoover to proceed as he did, and in view of the fact that the Attorney General is the head of the department of the Government under which Mr. Hoover works, I do not think Mr. J. Edgar Hoover should be blamed, but that we should ask the then Attorney General of the United States as to whether or not he directed that action. That would soon settle the question.

The article continues:

He may have something to explain there, and whether he can explain it to his own credit remains to be seen.

According to my view of this, he has nothing to explain. It is up to Mr. Murphy, who was then Attorney General of the United States. If an explanation is to come, the explanation should come from him, and not from Mr. Hoover, because I assume he was working under the direction of the then Attorney General, as today he is working under the direction of the present Attorney General. The article concludes:

The other big complaint here now is that the F. B. I. is tapping wires all over the place, collecting dossiers on politicians and officials, as well as on private citizens, and serving as an Ogpu. Those charges ought to be investigated. Sometimes people think they are being spied on when there is nothing following them except a guilty conscience. But it is difficult for a victim to know whether his wires have been tapped, his desk rifled, and his papers photostated. There are enough rumors of this sort to warrant Congress getting at the facts.

A moment ago I read to the Members of the Senate a positive statement made by Mr. Hoover to the effect that he has never tapped any wires of the Members of Congress, and I assume he never intends to do so, but as I stated a moment ago, I was frankly advised by way of that interview or release to the press, that there have been occasions when it was necessary for him to tap wires when he was dealing with criminals.

Concluding, Mr. Clapper said:

Although Mr. Murphy, when Attorney General, had a slight touch of red-hunting fever after the European war broke out, there has been no visible evidence that the country is being subjected to Ogpu espionage at the hands of the Hoover men.

Some 200 volunteer complaints of espionage activity come into the hands of F. B. I. agents every day. Much of this is junk and is disregarded. Thus far there is no evidence of persecution as a result of such complaints. The F. B. I. has squelched the volunteer

vigilantes who wanted to take spy hunting into their own hands. I don't think many people are going around feeling that they have to look over their shoulders.

The concluding paragraph reads:

When you compare Mr. Hoover's regime with that of William J. Burns, he looks like a big improvement. If those in Congress think they have something on him, they ought to have an investigation—and Mr. Hoover ought to insist on it. Such an important law-enforcement agency should not continue under the cloud of accusation that now exists.

Mr. President, after this positive statement by Mr. Hoover that he has never endeavored to tap the wires of Members of Congress, knowing Mr. Hoover as I do, and, as an American citizen, having followed his career with much encouragement and inspiration, I am confident that he certainly would not object to an investigation. Mr. J. Edgar Hoover has always been open and aboveboard, and I believe has proved to the American people that he is a fine law-enforcement officer. Everywhere I have gone I have heard him spoken of most highly.

Now I am very happy to yield to my distinguished and beloved colleague the senior Senator from the great Commonwealth of Arizona.

Mr. ASHURST. Mr. President, I do not feel that there is any special obligation resting upon me to become the champion of any department of the Government or any official in the Government. It is a task distasteful to me to be looked upon as the particular champion of any man or any agency of Government, and what I am going to say, Mr. President, is said because I think it would be a species of cowardice, certainly of timidity, if I did not speak upon this occasion.

First, I agree with the speech of the able Senator from North Carolina.

Mr. REYNOLDS. I thank the Senator.

Mr. ASHURST. Now, as to Mr. Hoover. Some hours ago in the Senate I read an article from the Washington Star written by Mr. Frederic William Wile. It was in a manner facetious, but it was true. And if all the officials of this Government abstained from pernicious political activity as truly as Mr. Hoover and the Federal Bureau of Investigation have abstained, there would be no need for the Hatch bill.

The demand for political appointments, the demands for endorsements, come upon a Senator like a flood, and I suppose from a populous State tremendous numbers of demands for place and appointment overwhelm Senators.

It so happens that some years ago I recommended a young Arizonian for an important place in the Federal Bureau of Investigation. I sent a letter of recommendation to the Director of the Federal Bureau of Investigation. The Director, Mr. Hoover, after a careful examination, wrote me that the young man could not meet the tests. I asked for a reexamination. A reexamination of the young gentleman's qualifications was held, and he could not meet the test, and could not obtain the appointment.

Mr. President, so far from arousing any resentment in my breast, that increased my admiration for Mr. Hoover, because I happened to know that if he had been susceptible to what we call political influence he doubtless would have inclined slightly in my favor, if such a thing as a favor could be granted by that Bureau.

I am sure that I never have talked with Mr. Hoover 5 minutes alone in my lifetime. I have never had sip or sup with him. It so happens that our spheres of social activity do not meet. It so happens that I have never had the opportunity or pleasure to engage in any social amenities with him. I have judged him simply, solely, and only by his work, and I think I am familiar with his work—at least I ought to be. And while it would be ridiculous and offensive, and a presumption to say that he has made no mistakes, his mistakes—I am not prepared to characterize them or where they were, if any—are few.

Being a human being, I suppose that he makes a mistake now and then, and not being omniscient, I suppose he misjudges or miscalculates some events. But if I were called upon today, here and now, to name a man in all the width and breadth of this country, who can do the work of the F. B. I. as efficiently, honorably, capably, and as fearlessly as Mr. Hoover, I would not know whom to name.

I have said these things because I believe it is my duty to say them.

We must remember that we have invited to our shores in bygone years all kinds of persons. We invited to our shore practically all races, and I am making no invidious distinctions among races. We are a polyglot people. Moreover, I ought to be frank enough to say that these various races have made their contribution to the building up of America. Wisely we are now preventing and have been for some years preventing the immigration hither of any more persons, not because we are offensive in our attitude toward other races, but because we cannot absorb them. We are no longer the melting pot, because the metal does not melt. But many of those persons whom we invited here, forgetful of the hospitality extended to them by this generous Government, forgetful of the fact that the badge of American citizenship is a greater privilege than any other civil privilege known to man—many of these persons from foreign countries have been engaged in trying to undermine and overthrow the very Government which invited them hither and which gave them an opportunity side by side with the native-born.

As soon as Mr. Hoover or any of his G-men arrest a so-called gangster who has kidnaped some person, some child, probably tortured the child, and tortured the mother and the father worse by the terrible suspense, and the gangster is brought into court, the first thing the gangster does—and he has the right to do it—is to say, "I appeal to the Constitution. You must try me and punish me constitutionally. Aye, sir," says the gangster, "the very thing—the Constitution—that I tried to undermine and overthrow, the very thing I worked sedulously to destroy, is now the thing to which I appeal for my liberty in my day of trouble."

How paradoxical! The very instrument the Communist, the gangster, the saboteur seeks to overthrow is the first thing to which he appeals—and properly appeals—in his day of trouble. He appeals confidently to the Constitution to protect him.

I know of no man who has been deprived of his liberties contrary to our Constitution and our laws; of no instance in which any citizen has been oppressed by Mr. Hoover's bureau. If any Senator knows of such a case, it should be laid before us.

Mr. President, in speaking of the gangster, the saboteur, and the Communist appealing to the very Constitution he sought to overthrow, years ago a great orator spoke along this line—I have even forgotten the orator's name, but he said, in substance:

If all the men in America who have suffered the death penalty for a violation of the laws of the United States could be resurrected at the foot of the gallows and were charged with the function of forming a government, they would form exactly the same sort and kind of government as the one under whose justice they fell.

What greater tribute could be paid to our institutions? Could all the men who have been executed under our laws be resurrected and brought together and told to form a government for their own good, they would form exactly the same sort of government as the one under whose justice they fell.

Mr. President, surely some mistakes have been made in the activities of the F. B. I. In a company of sensible men no one would pretend that there have not been a few mistakes. Doubtless Mr. Hoover has made some. Doubtless if he displays any activity at all he will make some more but I am bound in justice to say that the result of his work is wholesome. I do not say it because of any political, social, or fraternal feeling toward Mr. Hoover. I have never had sip or sup with him. I have never partaken of the social or polite amenities of life with him. I probably have spent 5 minutes alone with him, and I have forgotten the subject of that conversation. I have never discussed political appointments or political affairs with him.

Judging him by his results and by his work, I find the results to be good and wholesome. If a considerable number of persons think there should be an investigation of the F. B. I., I shall vote for it, because I want the truth to be known. If anything has been done that is untoward and improper, I wish to know it, and if the Senate is to have an investigation the only thing I ask is that I shall not be included as a member of the committee to conduct the investigation. I have no right to speak for Mr. Hoover or the Department of Justice in the matter, but surely they would not and should not take the position that there should be no investigation.

Mr. President, I repeat, the last attitude I wish to adopt is one of apology for or championship of any particular branch of government. Each branch must stand on its own merits. The F. B. I. must stand or fall by its own activity and its own integrity. I shall vote for an investigation if any considerable number of Senators wish it. I believe the investigation would show that there has been no corruption, no untoward thing, no unconstitutional act committed. Senators will be amazed at the fertillity of intellect and the ingenuity of the trained men of the F. B. I. in following the criminal.

To be a G-man requires adaptation, inductive and accurate reasoning. A G-man must needs have a phonographic brain and a photographic eye. He must see with accuracy, and see all things, and he must remember with unerring accuracy. He must anticipate in advance what a man would be likely to do in a given set of circumstances. In the nomenclature of crime, he must be able to find the "dropped stitch." The dropped stitch is that inescapable impression, that unavoidable thing, it is the track left by all men who engage in any activity whatsoever.

When one comes to detect criminals or to detect crime, one is hopeless unless one finds the dropped stitch. After one has found the so-called dropped stitch, then one must ascertain who dropped it. Be assured that in every criminal offense there is a dropped stitch, because no man can engage in any activity without making some inescapable, unavoidable impression.

The G-men are particularly trained. A man might be a very great lawyer, a very great orator, a great physician, or a great physicist. He might understand physics; he might be a scientist; he might be all these things rolled into one, and yet not make a successful so-called G-man. A G-man must be silent. He must know just what he can say and what he may not say.

Mr. President, I hesitate in this dignified body to adopt the nomenclature of the poker table in any serious argument. In England they have adopted the nomenclature of the ocean. We adopt the nomenclature of the poker table in our affairs. So, I say the G-man, in dealing with criminals, must know when to run a bluff and when not to do so. I know of no business or profession which calls for the exercise of more mental alertness, more inductive reasoning, and more accurate thinking, more courage and true capacity of brain and heart, or a greater degree of honesty, than that of the G-man.

Mr. President, the ordinary G-man could become comfortably rich in one case if he were corrupt; but it is to the honor of the F. B. I. that thus far, so far as I know, among 1,600 men in the F. B. I. not one is accused of soiling his palm with a doubtful penny. Does the Senator know of any such case?

Mr. REYNOLDS. I have never heard of a single case.

Mr. ASHURST. Of course, Mr. President, I realize that that does not mean that there are no bad men in the F. B. I. Lord Macaulay said that it is not possible to assemble 40 men without having one defective man.

I wish to raise the ante a little—again I resort to the nomenclature of the poker table. I shall raise the ante a little and say that it is impossible to assemble 100 men without having at least 1 man who might be subject to weakness. So if All Omniscient Wisdom had a doubting Thomas, a denying Peter, and a bribe-taking Judas in His apostolic cabinet, it is useless and in vain for mortals to believe that we can assemble 1,600 men and have no doubter and no denier.

Mr. President, some days ago when this matter came up I had intended to make a short address. I gathered a few data, but I do not think I need to ask leave to print these data. Suffice it to say that all the expenditures of the F. B. I. and all the moneys used by Mr. Hoover and the F. B. I. are under the direct supervision of the Attorney General. Mr. Hoover has no authority on his own account to draw money out of the Treasury to use for rewards or other purposes. He must obtain his authority from the Attorney General of the United States. If I correctly understand the law—and I think I do—any voucher which purports to draw money from the Treasury for the benefit of the expense accounts of the F. B. I. must be submitted to the Attorney General and receive his individual approval.

I now feel that I have discharged my duty. If any investigation should show that untoward and improper things have taken place in the F. B. I., I do not feel that I would be called upon to make any apology because I have told my tale as I understand it. I have given the Senate and the country, I hope, the facts as they have appeared to me, and it has been my particular business to be required to become more or less familiar with the activities of the Department of Justice.

Mr. President, nobody is going to make any direct assault upon the Bill of Rights. Nobody is going to make any direct assault upon the Constitution of the United States. Such things are not done in that way. Such assaults will be made upon the agencies of Government. Unsocial persons will make their assaults upon the agencies of Government that are protecting the liberty and the lives and the safety of the people.

Some years ago I introduced a bill which proposed to make it a crime for anyone to offer a reward or pay a reward for the return of a kidnaped person. After giving my own bill a year of consideration, I came to the conclusion that even if I could secure the enactment of the bill such a law would be a futility. No jury in America would convict any mother or any father for redeeming their child, so I abandoned my own bill. I did not talk with Mr. Hoover about the matter, but I sent the bill to him for his report. I asked a Senator who is not now present to talk to Mr. Hoover, and Mr. Hoover sent back word that he was against my bill because, if such a measure should become a law, it would deprive him of one of his most fertile and certain avenues of apprehension of criminals, so I abandoned my own bill. I may have made a mistake, but my purpose was good. Doubtless Mr. Hoover, in his F. B. I., like other officials, while having a good purpose in something, may at times make mistakes.

I say again, if any resolution is offered proposing an investigation, I am going to vote for it.

I thank the Senator.

Mr. REYNOLDS. I thank the Senator very much for his fine contribution and his generous compliment to Mr. Hoover.

Mr. ASHURST. Will the Senator just let me say that my compliment is to Mr. Hoover's activities?

Mr. REYNOLDS. I mean his activities.

Mr. ASHURST. His work.

Mr. REYNOLDS. In view of the fact that the Senator has qualified his statement, I may add that my personal acquaintanceship with Mr. Hoover is very limited. In the years that I have been in Washington I do not believe I have ever talked with Mr. Hoover more than three times. I am going very frankly to state to the Senator that we are all subject to flattery, and we are all grateful for any little act of courtesy that is shown us.

Mr. ASHURST. Let me say to the Senator that flattery is the only commodity on earth of which the supply can never equal the demand.

Mr. REYNOLDS. I think the Senator is quite correct about that. I was about to say that I recall that several years ago Mr. Hoover invited me to deliver a commencement address at the graduating exercises of the Department of Justice police school. Of course I immensely appreciated that compliment, as the Senator from Arizona would have done, or anybody else for that matter; but I barely know Mr. Hoover.

I have never had a meal with him. Like the Senator from Arizona, I have never spent 5 minutes of my life with him, and my correspondence with him has been very limited; but I repeat that I have admired the man very much, because I think as a matter of fact he is the idol of the American youth.

I recently read either an extract from an address Mr. Hoover delivered or an article he wrote in reference to the Boy Scouts; and everywhere I go the youngsters ask me, "Do you know Mr. J. Edgar Hoover?" He is very much admired by the youngsters of the country, as well as by the parents of the country, because he is always fighting and preaching and talking clean living for the youth of the country.

This subject is not one in which I am personally interested. I have noted something in the columns of the press and have heard something said about Mr. Hoover's having tapped some wires. I secured for myself a copy of a press release which was issued by him on yesterday, and this afternoon I took advantage of the opportunity to read his denial to the Members of the Senate.

Again I want to thank the able Senator from Arizona very much for his very nice compliment to the Bureau of Investigation, and his contribution to this discussion.

### CAMP BUCHANAN, PUERTO RICO

Mr. President, in view of the fact that the time now is available for a brief mention of another subject, let me say that I see in the Chamber the very distinguished chairman of the Committee on Military Affairs, the Senator from Texas, Hon. MORRIS SHEPPARD, who so ably represents all the people of the Lone Star State. So long as he and his colleague the Senator from Texas, Hon. TOM CONNALLY, continue to represent that State, I know it will be well represented, and all the people will be looked after in an admirable manner. Having noted the presence of the Senator, I remind him that I have before me a letter which I procured from him this afternoon.

Mr. SHEPPARD. Mr. President, I thank the Senator for his kind compliment.

Mr. REYNOLDS. The Senator is perfectly welcome. I am always happy to have the opportunity of speaking kindly of the Senator from Texas, because when I make remarks of that sort with regard to him I really do not have to draw upon my imagination. I will say that the Senator himself is for me a fountain of inspiration.

I have here a copy of a letter which a man by the name of B. N. Wende, of Bridgeport, W. Va., addressed to the editor of the Herald Tribune, New York City, on February 20, 1940, relating to the proposed change of name of a camp at San Juan, the capital of Puerto Rico. The present name of the camp there is Camp Buchanan. It has been suggested that the name be changed to Fort Miles. It is my recollection that General Miles has been honored on many occasions by having various barracks and other military spots named after him; but I see no reason for taking away from that camp the name of Buchanan, which it has had for many, many years.

At this juncture I ask leave to have this letter printed in the RECORD as a part and portion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

The letter is as follows:

BRIDGEPORT, W. VA.,
*February 20, 1940.*

EDITOR OF THE HERALD TRIBUNE,
*New York City.*

DEAR SIR: It seems rather ridiculous that General Dailey, the commanding officer in Puerto Rico, recommended that Camp Buchanan should be changed to Fort Miles. It has been suggested that General Dailey (and I trust it is not so) made the recommendation on the belief that Camp Buchanan was named after President Buchanan, who, of course, had no intimate connection with the island of Puerto Rico. However, the late General Buchanan was more actively connected with the military establishment in Puerto Rico than Gen. Nelson A. Miles who did command the First Expeditionary Force to Puerto Rico in the Spanish-American War.

There are many monuments to the memory of General Miles outside of the camp in Puerto Rico. I know of no memorial for that distinguished officer, General Buchanan, and I think that some public-spirited Americans who are interested in Puerto Rico and also interested in the military history of the United States should see that Camp Buchanan be allowed to continue under the name "Camp Buchanan," as it has been for over 20 years.

Yours very truly,

B. N. WENDE.

### REGISTRATION OF ALIENS

Mr. REYNOLDS. Mr. President, I have before me a press notice which I clipped from one of the newspapers in regard to a bill for the registration of aliens. I feel at liberty to take the time now to refer to it, because I cannot be accused of holding up the Hatch bill; but I want to bring this subject to the attention of the readers of the RECORD and to the attention of those who happen to be here at this late hour. There are times when we have to take advantage of these occasions.

This is a clipping from one of the newspapers, entitled "Jersey Bill Asks Aliens Register."

The article is dated Trenton, N. J., January 12, and reads as follows:

Designed as a safeguard against possible wartime sabotage, a revised measure now before the New Jersey State Senate would require all aliens in the State to register with the police.

I bring up this matter at this particular time in view of the fact that a moment ago I took occasion to mention the great number of complaints of sabotage and espionage which are now being filed with the Bureau of Investigation.

The article continues:

The measure, sponsored by Gov. A. Harry Moore's emergency committee, was introduced in the name of Senate President Arthur F. Foran, of Hunterdon.

It would require all aliens in the State over the age of 18 to register annually with either State or local police. Failure to do so would be a misdemeanor, subject to $100 fine or a jail sentence of 60 days.

Between 150,000 and 200,000 persons in New Jersey would be affected.

Being very much interested in this matter, a day or so thereafter I directed a letter to Governor Moore, a former Member of this body, asking that he provide me with a printed copy of the bill referred to in the article. Yesterday he sent me a copy of the bill, which is senate bill No. 2, introduced by Mr. Scott, and referred to the committee on judiciary.

Mr. President, I have read this bill, and since we have been discussing sabotage and espionage, I ask that it be published in the RECORD as a part of my remarks, with the particular idea in mind that bringing this to the attention of the Members of the Senate will probably impress them with the fact that the people of the country as a whole are demanding legislation of this sort. So thoroughly are they making this demand that they are attempting, in many instances, in the Commonwealths to bring about the enactment of laws requiring the registration and fingerprinting of aliens.

I thank our able leader very much for being good enough to afford an opportunity to make these observations.

The PRESIDING OFFICER. Is there objection to the request of the Senator from North Carolina?

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

Senate, No. 2

An act requiring aliens to register with the State bureau of identification; the issuing of identification card; the protection of New Jersey citizens against undesirable aliens entering the State in violation of the United States immigration law; to enforce more successfully the State's criminal law; to maintain a record of vital statistics; to cooperate with the United States Government in the enforcement of the immigration laws; prescribing penalties, and to establish a bureau of alien registration within the State bureau of identification, supplementing article 2 of chapter 1 of title 53, of the revised statutes

*Be it enacted by the Senate and General Assembly of the State of New Jersey:*

1. Immediately upon the passage of this act, and each year thereafter, every alien 18 years of age or over residing in this State shall register with the chief of police of the municipality in which the alien resides, and if there be no chief of police then at the nearest station of the State police, on forms to be prescribed and furnished by the State bureau of identification, and every such alien becoming a resident of this State after the first day of January 1940, shall in like manner register with the chief of police of his or her municipality within 30 days after becoming such

resident. Such registration form shall show the name, age, address, occupation, name of employer, characteristics of appearance, fingerprints, suitable photographs provided by applicant, name of wife, or husband, if any, of such alien, names and ages of all children under 18 years of age residing with him or her and, if not his or her own the names of their parents and date and port of entry into the United States, and such other information and details as the supervisor of the State bureau of identification shall direct.

2. The form of such register shall be prepared by the supervisor of the State bureau of identification and by him transmitted to the chief of police of every municipality in the State. The chief of police of each municipality shall cause each and every alien enumerated under section 1 of this act, residing in his municipality, to be registered upon the form prescribed. The form of registration shall be executed in 4 copies; 1 copy being retained by the chief of police or other police officer for their files; 3 copies shall be forwarded to central file of the State bureau of identification, who will forward 1 copy to the commissioner of labor, and 1 copy to the Federal Bureau of Investigation at Washington, D. C.

3. For each original registration and for each annual registration thereafter the person registered shall pay to the chief of police or other police officer conducting the registration a registration fee of $1 and shall receive an alien identification card.

4. The supervisor of the State bureau of identification and each chief of police shall classify such registrations in such manner as shall best serve the purpose of ready reference. All such records shall be retained for a period of at least 10 years. The supervisor of the State Bureau of Identification shall have power to make and enforce rules and regulations to carry into effect and enforce the provisions of this act.

5. The supervisor of the State bureau of identification shall establish a bureau of alien registration in the State bureau of identification with such other assistants and employees as the supervisor may deem desirable.

6. Every alien over the age of 18 who fails to register as provided in this act within any of the periods required hereby shall be guilty of a misdemeanor and upon conviction be punished by a fine of not more than $100 or by imprisonment of not more than 60 days or both.

7. A complaint, in writing and duly verified having been made to a magistrate, or other court of competent jurisdiction, that a person has violated a provision of this act, the magistrate, or judicial officer of such court may issue either a summons or warrant directed to a constable, police officer, peace officer, or an agent of the department of labor for the appearance or arrest of the person so charged. The complaint and process shall state what section or provision of this act has been violated by the defendant, and the time, place, and nature of the violation. Upon return of the summons or warrant or at the time to which the hearing has been adjourned as hereinafter authorized, the magistrate, or judicial officer, shall proceed summarily to hear and determine the innocence or guilt of the defendant, and upon conviction may impose the penalty prescribed by this act, together with the costs of prosecution for the offense. A complaint may be made to a magistrate, or other court of competent jurisdiction, for a violation of this act at any time within 2 years after the commission of the offense.

8. All proceedings for the violation of this act shall be entitled and run in the name of the State, with an agent of the department of labor, police officer, peace officer, constable, or any other person who by complaint institutes the proceedings as prosecutor. A magistrate or judicial officer may, in his discretion, refuse to issue a warrant on the complaint of a person other than an agent of the department of labor or a police officer, until a sufficient bond to secure costs has been executed and delivered to the magistrate or judicial officer.

9. Any constable, police officer, peace officer, or agent of the department of labor may serve upon him a summons, in the name of any magistrate's court, or other court of competent jurisdiction, in the county or municipality wherein such officer is authorized to discharge his duties, directing the person so summoned to appear and answer such charges as may be preferred against him, for which purpose the county or municipal clerks, respectively, shall provide such officers with a form of summons, which, when filled out, executed, and issued by any such officer, shall be good and effectual according to the purpose and intent thereof.

10. In the prosecution instituted under this act the complaint filed therein, if made by a constable, police officer, peace officer, or agent of the department of labor, will be considered duly verified if made under his oath or affirmation, which oath or affirmation may be made by the official upon information and belief.

11. A hearing to be held pursuant to this act may, on the request of either party, in the discretion of the magistrate or judicial officer or any court of competent jurisdiction, be adjourned for a period not exceeding 30 days from the return day named in a summons or warrant or from the date of an arrest without warrant, as the case may be. In such case the magistrate or judicial officer shall detain the defendant in safe custody, unless he makes a cash deposit or enters into a bond to the State, with at least one sufficient surety, or himself qualifies in real-estate security situate in this State in twice the amount fixed by the magistrate for the bond with a surety, to or in an amount not exceeding $5,000 conditioned for his appearance on the day to which the hearing may be adjourned, or until the case is disposed of.

12. A summons or warrant issued by a magistrate or other court of competent jurisdiction under this act shall be valid throughout the State. An officer who may serve the summons or warrant and make arrest on the warrant in the county in which it is issued may also serve the summons or warrant and make arrest on the warrant in any county of the State. If a person is arrested for a violation committed in a county other than that in which the arrest takes place he may demand to be taken before a magistrate or other court of competent jurisdiction of the county in which the arrest is made for the purpose of making a cash deposit or entering into a recognizance with sufficient surety. The officer serving the warrant shall thereupon take the person so apprehended before a magistrate or other court of competent jurisdiction, of the county in which the arrest has been made, who shall thereupon fix a day for the matter to be heard before the magistrate, or other judicial officer, issuing the warrant, and shall take from the person apprehended a cash deposit or recognizance to the State, with sufficient surety, for his appearance at the time and place designated in accordance with this act. The cash deposit or recognizance so taken shall be returned to the magistrate, or other judicial officer, issuing the warrant to be retained and disposed of by him as provided by this act.

13. All fees, fines, and forfeitures collected under the terms of this act shall be paid to the State treasurer on or before the 10th day of each month, for the preceding month, by the chief of police, other police officer, or magistrate. Twenty-five cents of every alien registration fee received by the treasurer of the State from a chief of police or other police officer shall be returned to the chief of police or other police officer as the cost of maintaining his files. Seventy-five cents of every alien registration fee remitted to the State treasurer shall be placed to the credit of a fund to be known as the registration of aliens fund, which fund shall be used exclusively for the purchase of supplies, equipment, salaries, and other expenses involved in the enforcement of the provisions of this act.

14. If any part or parts of this act shall in any court of competent jurisdiction be declared invalid, void, or unconstitutional, such part or parts shall be rescinded and the remainder of the act shall continue in effect.

15. All acts and parts of acts inconsistent herewith are hereby repealed.

16. This act shall take effect immediately.

HOUR OF MEETING TOMORROW

During the delivery of Mr. REYNOLDS' remarks,

Mr. BARKLEY. Mr. President, will the Senator yield to me?

Mr. REYNOLDS. Certainly.

Mr. BARKLEY. In order that Senators may know what the program is tomorrow, I ask unanimous consent that when the Senate concludes its deliberations today it recess until 11 o'clock a. m. tomorrow.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Kentucky? The Chair hears none, and it is so ordered.

After the conclusion of Mr. REYNOLDS' remarks,

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. STEWART in the chair), as in executive session, laid before the Senate messages from the President of the United States submitting sundry nominations and a treaty, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

RECESS

Mr. BARKLEY. I move that the Senate take a recess, under the order previously entered.

The motion was agreed to; and (at 5 o'clock and 50 minutes p. m.) the Senate took a recess, the recess being under the order previously entered, until tomorrow, Friday, March 15, 1940, at 11 o'clock a. m.

## NOMINATIONS

*Executive nominations received by the Senate March 14 (legislative day March 4), 1940*

FARM CREDIT ADMINISTRATION

Carl R. Arnold, of Ohio, to be production credit commissioner.

Roy M. Green, of Kansas, to be land bank commissioner.

UNITED STATES MARSHAL

William M. Lindsay, of Kansas, to be United States marshal for the district of Kansas, vice Lon Warner, removed.